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DEBATES

OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA

FIFTH SESSION—TWELFTH PARLIAMENT

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COMPRISING THE PERIOD FROM THE TWELFTH DAY OF MARCH TO THE THIRTIETH DAY OF MARCH, INCLUSIVE.

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1915

CANADA

House of Commons Debates

OFFICIAL REPORT—REVISED EDITION.

HOUSE OF COMMONS.

Speaker: HON. THOMAS SIMPSON SPROULE.

Friday, March 12, 1915.

The House met at Three o'clock, the Speaker in the Chair.

WAR APPROPRIATION EXPENDITURE.

Mr. A. K. MACLEAN (Halifax): Mr. Speaker, I desire to move the resolution of which I gave notice:

That sessional papers numbered 122 of the present session of Parliament, being copies of correspondence between the Auditor General and the Department of Militia and other departments of Government in respect of the expenditures under the War Appropriations Act, be referred to the Committee on Public Accounts, with power to investigate the matters therein referred to and to report thereon to this House: that the committee have power to send for persons, papers and records, and to examine witnesses on oath or affirmation, and to report from time to time.

Mr. SPEAKER: The last portion of the resolution, with regard to examining witnesses under oath, is not necessary, as the committee already has that power.

Rt. Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker, the question as to investigation by the Public Accounts Committee into matters that have not been referred to that committee in the ordinary way has more than once engaged the attention of the House since I became a member of Parliament. I may say a word as to the practice adopted in the past. First, as to accounts of past years the committee would be empowered to inquire into matters referred in such previous years only if the committee itself reports that this is desirable; and probably without such a report the House would make the reference to the extent to which the investigation into matters transpiring in previous years might prove necessary to an investigation of the accounts referred to the committee in the regular way. This is not a motion to investigate matters referred to in previous years, but it is a motion to investigate matters which have transpired during the current year. Up to the present time I have been unable to find that such a course has been taken. I observe that as far back as 1902 a member of the late Administration, speaking for the Administration, laid it down as an absolutely unheard of thing that matters which had transpired during the then current fiscal year should be referred to the Public Accounts Committee, inasmuch as, in ordinary course, they would come to that committee during the ensuing year.

However, the correspondence that has been brought down indicates that some of the questions which have been raised by the Auditor General demand consideration, and, under the circumstances, I am not disposed to offer any opposition to the motion which has been made by the hon. junior member for Halifax. My hon. friend the Minister of Militia and Defence, whom I consulted on the subject, informed me that he desired to welcome the fullest possible investigation into the matters which are referred to in the correspondence with the Auditor General. He reminds me that in the return there does not seem to be any direct correspondence between the Auditor General and himself. In relation to that, it is pointed out in some of the documents brought down and laid on the table of the House yesterday that certain letters that are printed as having been sent by the Auditor General to the Department of Militia and Defence are alleged by the officers of that department never to have reached them at all.

I am also the more inclined to accede to the motion of the hon. member for Halifax for the reason that a member of this House, the hon. member for Carleton, Ont. (Mr. Garland), came to me some time ago and asked that matters in this corespondence that have been commented upon especially in the press of this country as touching

his own position in the House should be fully investigated at the earliest possible moment. When the hon. member for Halifax intimated across the floor of the House some time ago that he desired to make a motion for the purpose of referring this correspondence to the Committee on Public Accounts, with the view to investigating the matter referred to therein, the hon. member for Carleton at once came to me and asked that, so far as he was concerned, no objection should be made to that motion, and that the fullest opportunity of investigation should be afforded in the Public Accounts Committee.

If, therefore, the hon. member for Halifax will be good enough to add to his motion suitable words to include the documents that were brought down yesterday by the Minister of Militia and Defence, I shall be very glad to agree that the motion pass.

Mr. GERMAN: May I ask the right hon. Prime Minister if he will allow to be included in this motion two returns which I moved for—one in reference to the purchase of tires for motor trucks for the Militia Department, and another in reference to commissions paid to P. W. Ellis & Company. I think the latter is included in the correspondence.

Sir GEORGE FOSTER: It is.

Mr. GERMAN: I understand that the Minister of Militia is preparing these returns; it seems to me that the whole might be referred to the Committee on Public Accounts.

Sir ROBERT BORDEN: So far as concerns all matters referred to in the return, full power will be given to the Public Accounts Committee. As to any matter outside of that, I would prefer that my hon. friend let it stand until I see precisely what the position is.

Mr. A. K. MACLEAN: Would the motion in this form meet the point taken by the right hon. Prime Minister:

That sessional papers numbered 122 of the present session of Parliament, and all other papers in relation thereto, being copies of correspondence between the Auditor General and the Department of Militia and other departments of Government, laid upon the table of the House, in respect to expenditures under the War Expropriations Act, be referred to the Committee on Public Accounts, with power to investigate the matters therein referred to, and to report thereon from time to time.

[Sir Robert Borden.]

Sir ROBERT BORDEN: Yes, I think that will cover it.

Mr. PUGSLEY: Is this motion understood by the right hon. Prime Minister to be broad enough to include my inquiry regarding the purchase of two submarines? This matter is referred to in the correspondence, and if it is understood that it will be included in the reference to the Public Accounts Committee, that will be satisfactory to me.

Sir ROBERT BORDEN: I really do not know precisely what is in the return, but I want to assure my hon. friend that if he is desirous of making any charges in regard to the purchase of submarines, we are prepared to grant him the fullest possible investigation. I have already brought down and laid upon the table of the House a telegram from Sir Richard McBride, in which he asked that, in view of the observations made by the hon. member for St. John, inquiry should be made into that matter. I replied that it did not seem to me that the observations which had been made in the matter merited the notice which he thought should be taken of it; to which, in reply, he said that he would very greatly regret that any suggestion should go abroad that he did not desire an investigation. He said that in view of what I had said he would leave the matter to my colleagues and myself. My hon. friend the Minister of Marine and Fisheries has brought down and laid on the table of the House the telegram alluded to, as well as a letter from Sir Richard McBride, confirming the telegram, and including the observations which he felt called upon to make in the legislative assembly of the province of British Columbia, in which he repudiated in the most cogent terms the suggestions which were made by the hon. member for St. John of improper conduct on his part in connection with the matter.

Mr. PUGSLEY: That being so, I presume there will be no objection to the Committee on Public Accounts taking this matter up with the others, because correspondence connected with it appears in the printed report.

Sir ROBERT BORDEN: There will be no objection, so far as the purchase of the submarines is concerned. If any further motion is necessary I shall be willing to accept it.

Mr. W. F. GARLAND (Carleton, Ont.): I do not wish to take advantage of the present occasion to make any extended

remarks on the subject referred to in this motion. I cannot pretend to have the knowledge myself of the proper procedure in cases of this kind; but I have been informed that it is not the practice to refer matters to the Public Accounts Committee until they appear in the Public Accounts; consequently there would be good grounds why the House might well vote down the present motion. I have, however, from the first, requested that such a step be not taken; but, on the contrary, that every facility be offered those who think they have found any cause of offence in me to prove such offence in the quickest possible way.

I have no desire to anticipate anything which should properly be brought out before the Public Accounts Committee; but it is only just to myself, in view of the careless and reckless attacks made upon me, that I should state very briefly such facts as will make my own position clear. I will not go into the evidence upholding such facts until the proper time comes, but I say to those who have been quite ready and willing to attack without taking the trouble to investigate, that the evidence will come in due course.

First of all, since I have become a member of Parliament, I have not been in any way whatever interested in contracts with the Dominion Government, and have never been and am not now, directly or indirectly, by understanding, secret or otherwise, or in any other way whatever, interested in the dealings which Mr. Powell had with the Militia Department, or with any department.

Having been informed that certain goods manufactured in the United States were required for the Militia Department, and believing as I do now that these goods could only be purchased through a Canadian agency and would only be sold through a Canadian agency, I recommended Mr. Powell as such Canadian agent. My belief as above stated was and is in my opinion absolutely correct. I understood at the time that only a comparatively small purchase from the firm in the United States was to be made. I believed Mr. Powell to be dependable, and still believe him to be so, and I recommended him because, in my judgment, he was dependable and a fit and proper person to so recommend. If such recommendation is a wrong one on my part, then I will ask that all recommendations be similarly inquired into.

I have seen reports and statements to the effect that I misrepresented the profits being made by Mr. Powell on the contract. I deny flatly any such accusation, and I challenge the most rigid inquiry.

It is, I think, to be regretted that parties who so flippantly make such charges have, so far as I can see, no corresponding responsibility, and very little to lose.

It is only my desire to bring this matter to an investigation and conclusion as quickly as possible that leads me now to demand that any one who wishes to make such a charge, make it now in a manly way across the floor of the House and on his responsibility as a member of Parliament.

With the question as to deductions made by the Militia Department against Mr. Powell I have no concern; it is a matter entirely between him and the Militia Department.

I have absolutely nothing to conceal in the matter, and have entire confidence that the House, or any committee of the House, will treat me with absolute fairness, which is a great deal more than a partisan press and certain interested parties on the outside have done.

Sir ROBERT BORDEN: I think my hon. friend (Mr. A. K. Maclean) has made this motion a little wider than I intended. I think the words, "in relation thereto," should follow where I have indicated in the paper. That might possibly have the effect of not including in the motion this matter of submarines to which the hon. member for St. John alluded. I am perfectly willing to have that matter also referred to the Committee on Public Accounts if the hon. member for St. John desires.

Mr. A. K. MACLEAN: Mr. Speaker, the remarks of the hon. member for Carleton, Ontario, might possibly leave the impression that this was especially directed against him and might leave myself under the imputation of being particularly interested in the affair to which he has referred, but did not desire to request the appointment of a special committee and make a charge in the manner usually followed in such cases. I may say that my motion is merely to have placed before the Public Accounts Committee the correspondence mentioned in the motion.

Motion, as amended, agreed to.

ASSISTANCE TO HOMESTEADERS—FEED FOR STOCK.

On the Order of the Day being called:

Mr. W. A. BUCHANAN (Medicine Hat): Mr. Speaker, I have had a number of complaints lately that feed for stock is not

being distributed very generously or very expeditiously at the present time. I have brought some of these complaints to the attention of the department, and I will confess that the minister has given them his attention. But these complaints continue to come in, and I am advised that stock is suffering seriously in cases where farmers are not in a position to purchase feed themselves. I am also informed that the feed supplied is being limited to work horses. Consequently cows and farm stock and other kinds are suffering because farmers cannot get feed for them. I would like the minister to outline the exact policy of the department in regard to the distribution of feed in that drouth-stricken area, so that the people there will have a proper appreciation of what is being done.

Hon. W. J. ROCHE (Minister of the Interior): The question of fodder for animals has not been brought to my attention so conspicuously as the question of seed grain. The Commissioner of Immigration in Winnipeg has full charge of the purchase and distribution of grain and of fodder as well. But my understanding is that representations were made to the department to the effect that it would be almost useless to supply seed grain to the farmers if their stock were not kept in a sufficiently good condition to enable the farmers to put their crops in; and, recognizing the force of that argument, the Commissioner of Immigration has engaged to distribute feed oats to supply the horses which are to be used in seeding, both before and during the seeding season. In addition to that, there are farmers who have been left absolutely without any crop in the drouth-stricken area, and who have a certain number of animals absolutely without any fodder. For some months past Mr. Bruce Walker has been distributing fodder to these animals. I do not know exactly the quantity he is distributing, but I understand that all the cases that have been submitted to him have been investigated and he is, in his opinion, supplying fairly generously the amount of fodder required for these animals. To be sure, some unreasonable requests have been received in regard to fodder as well as seed grain, requests to which we could not possibly respond favourably. For instance, we have had requests from men who are owners of 20 head of horses and 30 head of cattle, but have not sufficient fodder for all of them. They thought that all they had to do was apply to the department for fodder and they would be supplied, a request which, in our opinion, was entirely unreasonable and has not been responded to favourably, because those people had the option of either raising sufficient money on the security of their stock to produce fodder or disposing of some of the stock and feeding the others with the proceeds. I think the policy of the department is that wherever a limited number of animals are required to be kept by a farmer and they are absolutely deprived of any fodder, the Government should give a certain amount; but, as in the case of the seed grain, we have fixed a maximum amount to be given to any man, and in some cases that has not satisfied the applicants. They are complaining because we would not distribute more than 400 bushels of seed grain as a maximum. There may be some who think that they are not being dealt with as generously as they should be. However, I think that all legitimate demands are being very fairly met.

QUESTION OF PRIVILEGE.

COMMISSIONER DUCHEMIN'S ACCOUNTS.

On the Orders of the day being called:

Mr. D. D. McKENZIE (North Cape Breton): Mr. Speaker, I wish to refer to a question of privilege. On the 10th day of June last, from my seat in this House, I made the statement that a certain one of the Royal Commissioners appointed by the Government had received payment to the extent of $128.95 when, in fact, according to the terms of his engagement by the Government he should only have received $21.35. During this session the hon. member for Guysborough (Mr. Sinclair) asked the following question in reference to the observations which I had made:

> With reference to the charge brought to the notice of the Government by the member for North Cape Breton on June 10, 1914, as reported on page 5238 of Hansard, that one H. P. Duchemin, of Sydney, N.S., a commissioner appointed to investigate charges against partisan officials, had embezzled over $75 of the public funds in connection with one item of his account, by charging six days remuneration and expenses for less than one day's work, has the Government investigated this charge?

The answer given by the Secretary of State is to be found at the bottom of the page, and it is in this form:

> For the Customs Department, the answer is: The charge made by the member for North Cape Breton was looked into by Customs Department and inquired into by Auditor General and found to be not true. The report of the Auditor General on this matter appears

on pages F-48 and F-49 of his report for 1913-14. Mr. Duchemin has been employed only when cases were sent him for investigation. There are no cases now before him from the Customs Department for investigation.

I wish to make a statement to your honour, as a matter of privilege, because I am charged by the Customs Department with having made a statement in this House on the 10th June, 1914, which was not true. I hold in my hand Order in Council No. 2996:

Certified copy of a report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 3rd January, 1912.

The Committee of the Privy Council have had under consideration the question as to the rate of remuneration which should be allowed commissioners appointed or to be appointed to hold inquiries or investigations under the Inquiries Act, chapter 104, of the Revised Statutes of Canada, 1906.

The committee advises that, except in cases otherwise provided for by Order in Council, the fees allowable to a commissioner appointed under the authority of the above-mentioned Act shall not in any case exceed fifteen dollars for each full day's attendance or occupation in connection with the work of the commission, exclusive of the reasonable moving and living expenses of the commissioner, to be allowed where he has to travel for the purpose of executing the commission; and that the said per diem allowance shall be deemed to cover letters and interviews on other days as well as on the days for which the commissioner is entitled to such per diem allowance; and that no further charge be allowed for such letters and interviews; and that a professional man shall not be entitled to any fees or allowances as commissioner to which other commissioners are not entitled as aforesaid.

This Order in Council makes it clear that the allowance is $15 a day exclusive of expenses and that any other work that is done incidental to the inquiry is to be included in, or covered by, the $15 per day. I made the statement on the 10th June, 1914, that six different cases were examined into by the commissioner, Mr. Duchemin, on the 6th day of September, 1912, and that for these six inquiries he sent in six separate bills. I hold in my hand the six different returns in connection with these inquiries, handed to me by the proper officials—Sessional Papers No. 6. They are all marked No. 6, but with different letters to identify them. Without making any particular reference to them beyond stating what they show, I take up the inquiry into the conduct of Captain Roderick McDonald, of New Campbellton, who was specifically charged with partisanship by my friend and former opponent in the last election, Mr. John McCormick. It was unnecessary for Mr. Duchemin or anybody else to inquire what the charge was because it was specifically contained in a letter sent to the department by Mr. McCormick. In this report Mr. Duchemin himself said that he held the inquiry on the 6th inst., that is the 6th day of September, 1912, and he wrote his report to the department on the next day, the 7th, as this document which I hold in my hand shows. I wish your honour to remember, because it comes in afterwards in my explanation, that the report was made on the 7th. The inquiry was made on the 6th and the report on the 7th. The inquiry, and everything connected with it, was out of Mr. Duchemin's hands on the 7th September, 1912. In connection with this inquiry I have his bill. I read the bills before the House on the 10th June, 1914, but I notice that Hansard only took note of one of them. On this occasion, as my own integrity, truthfulness and good faith are rather impugned in connection with the matter, I would regard it as a favour if Hansard would take them all. The first bill that happens to be here is that in connection with the inquiry into the charge of partisanship against Captain Roderick McDonald, and it is as follows:

To travel, issuing notices, subpœnas etc., conducting inquiry re Rod. McDonald, New Campbellton. ..	$15 00
" allowance for living expenses.. ..	2 50
" paid ferry fare..	0 05
" tram fare North Sydney to Sydney Mines..	0 05
" horse hire, Sydney Mines to New Campbellton..	0 80
" paid for use of room for holding inquiries..	0 40
" service on witnesses..	1 00
" stenographer (copying evidence and reports)	1 35
" stationery and postage..	0 05
	$21 20

The next that happens to come in order is the inquiry into the charge of partisanship against Captain George Livingstone. It was not necessary to waste any time trying to find out what the charge was in that instance, because Mr. John McCormick, in a letter bearing date June 10, 1912, specifically and clearly states to the department what the charge against Captain Livingstone was, and that charge was transmitted in due course to Mr. Duchemin who inquired into it. I have here in my hand, it having been obtained from the Secretary of State, a report in which Mr. Duchemin says that he held the investigation on the 6th day of September, 1912, and his report is dated on the 7th of the same month. In connection

with that inquiry on the same identical day he puts in this bill:

To travel, issuing notices, subpœnas, etc., conducting inquiry re George Livingstone, Big Bras d'Or	$15 00
" allowance for living expenses	2 50
" paid ferry fare	0 05
" tram fare, North Sydney to Sydney Mines	0 05
" paid for use of room for holding inquiries	0 40
" service on witnesses	1 00
" stenographer (copying evidence and reports)	1 35
" stationery and postage	0 10
	$20 45

The next in order is the case of Roderick McLeod. The investigation, according to the report as I have it here, was on the 6th day of September, 1912. It was made simply and clearly in a letter written by Mr. McCormick, so that no time need be wasted in looking up what the charge was. The bill in connection with that investigation is attached to the papers and it reads as follows:

To travel, issuing notices, subpœnas, etc., conducting inquiries	$15 00
" allowance for living expenses	2 50
" ferry fare	0 05
" horse hire	1 00
" paid for use of room for holding inquiries	0 40
" service on witnesses	1 00
" stenographer (copying evidence and reports)	1 35
" stationery and postage	0 05
	$21 35

The next in order is that of D. J. Morrison. The charge is made clearly and distinctly by my hon. friend, Mr. McCormick, in a letter dated July 6, 1912, and sent in due course to Mr. Duchemin for inquiry, so that there was no need of wasting any time finding out about it. I find that he took evidence of two lines and three words, and that finished the whole inquiry, and he sent in his bill in connection with that. It will be noted that it is the same day as the other:

To travel, issuing notices, subpœnas, etc., conducting inquiries	$15 00
" allowance for living expenses	2 50
" ferry fare	0 05
" horse hire	1 00
" paid for use of room for holding inquiries	0 40
" service on witnesses	1 00
" stenographer (copying evidence and reports)	1 35
" stationery and postage	0 05
Total	$21 35

The next that happens to come to my hand is that of Roderick Bain, an inquiry held upon the same day and at the same place, with the same witnesses and in the same room. In connection with which I find this bill:

To travel, issuing notices, subpœnas, etc., conducting inquiry re Roderick Bain, New Campbellton, N.S.	15 00
" allowance for living expenses	2 50
" paid ferry fare	0 05
" paid tram fare, North Sydney to Sydney Mines	0 05
" horse hire, Sydney Mines to New Campbellton	0 80
" paid for use of room for holding inquiries	0 40
" service on witnesses	1 00
" stenographer (copying evidence and reports)	1 35
" stationery and postage	0 05
	$21 20

The last one is that of H. G. McKay; for an investigation held in the same place and on the same day, with the same witnesses, the same room, and crossing the same ferry. He does not set out the items as clearly as in the other. He says:

Allowance	$15 00
Living allowance	3 00
Witnesses, typewriting, etc.	5 40
	$23 40

That is the full record of the charges that were made, and I have satisfied I think, the House—and Mr. Duchemin does not deny it—that all these services were performed the same day. I have pointed out what Mr. Duchemin's explanation is, and it is the explanation upon which the Customs Department thought they were safe in making the statement that I made a false representation to the House when I intimated that too much money was paid for this inquiry. In the Auditor-General's Report, 1912-13, Part F, Finance Department, there appears on page F-48 some correspondence about this matter, which I read:

Audit Office, Ottawa, June 13, 1913.

Sir,—With regard to the investigations held by Mr. H. P. Duchemin for your department, I presume your attention has been called to the statement made in the House of Commons by Mr. McKenzie, M.P., on the 23rd ultimo (p. 10981, Hansard) that "on the 6th September last Mr. Duchemin held six investigations between three o'clock and six o'clock in the afternoon in a house at New Campbellton, or Big Bras d'Or, and rendered six separate and distinct bills, amounting to over one hundred dollars for three hours' work."

His account, dated 31st October last, shows that he charged for six days' services for portions of September 2nd, 5th, 6th, 7th, 9th, 11th and 12th in conducting investigations at Little Bras d'Or and New Campbellton.

In view of the discussion in the House, I

should like a statement in full detail from Mr. Duchemin showing how this time was occupied during the six days charged for.

I am, sir, your obedient servant,
E. D. Sutherland, for A.G.

The Commissioner of Customs.

To that the Department of Customs replied:

Department of Customs,
Ottawa, June 26, 1913.

Sir,—I have the honour to acknowledge receipt of your letter of the 13th instant, in which you call attention to a statement on page 10981 of Hansard, with reference to investigations made by Mr. H. P. Duchemin, and enclose herewith a copy of Mr. Duchemin's report on this subject.

I have the honour to be, sir,
Your obedient servant,
John McDougald,
Commissioner of Customs.

The Auditor General.

I will read Mr. Duchemin's reply, which is not long, and before I read it I wish to draw your attention, Mr. Speaker, and the attention of the House, to the fact that Mr. Duchemin explained here that he was working in connection with these investigations at Bras d'Or during the 11th, 12th and 13th of September, 1912, when in fact his own reports obtained from the department would have left his hands on the 7th, or one of them as late as the 9th, but all were clear of him before the 11th. I may point out that the date, 2nd September, is four days before the inquiry at Little Bras d'Or. His explanation is:

Sydney, N.S., June 21, 1913.

Dear Sir,—Replying to your favour of the 17th instant, I beg to furnish details asked for by the Auditor General, as follows:

Sept. 2, 1912.—Travel Sydney to Sydney Mines, conferring with Mr. McCormick and arranging docket of cases; going over charges of local complainants arranging for places of hearing; for service of witnesses, etc. Also issuing subpœnas, notices and communicating by mail with local complainants from Sydney, in re Little Bras d'Or, Big Bras d'Or and New Campbellton cases; sitting at North Sydney to open hearing, J. J. McDonald case.

Sept. 4, 1912.—Further conferring with Mr. McCormick, Sydney Mines, and Mr. McDonald, North Sydney, in re Little Bras d'Or case; sitting at North Sydney, J. J. McDonald case (continued).

Sept. 5, 1912.—Travel Sydney to Sydney Mines, taking evidence in Day case, Arseneau and Dunlop cases. Sydney—issuing further subpœnas Big Bras d'Or cases.

Sept. 6 and 7, 1912.—Travel from Sydney to Sydney Mines and Big Bras d'Or, sittings for hearings of evidence afternoon and night of the 6th at Big Bras d'Or; return to Sydney on 7th, going over evidence and partially preparing reports.

Sept. 9, 1912.—Taking adjourned hearing of Arseneau case at North Sydney. Further sitting J. J. McDonald case.

Let it be clearly understood that I said nothing at all about the cases of Day, Arseneau and McDonald; I know nothing about these bills and I made no complaint.

Sept. 11, 12 and 13, 1912.—Reviewing evidence, making findings, preparing and drafting reports in re the following cases: Arseneau, Dunlop, Day, Rod. McLeod, D. J. Morrison, Rod. McDonald, Rodk. Bain and Geo. Livingstone case; going over evidence in J. J. McDonald case; holding adjourned sitting McDonald case at Sydney, and meeting accused there; issuing subpœnas at request of accused for absent witnesses; further adjournment of hearing taking up McCurdy case with Mr. McCormick, and disposing of same; writing complainants in various constituencies for immediate closing all customs inquiries; conferring with Mr. Douglas and issuing processes re McAulay, McDonald and Peach inquiries.

This is as complete a report as I can furnish at this distance of time from the date of the inquiries.

I may say that Mr. McKenzie made some strange errors, during the course of the discussion referred to, in the House of Commons. He stated, for instance, that I had rendered six different accounts, in connection with these investigations. The Auditor General will, of course, know that this is incorrect. I have rendered but two accounts, covering in all eight days, one to your department for six days and another to another department for two.

Mr. McKenzie also stated that the six investigations which he referred to were all held in one afternoon at Little Bras d'Or when, as a matter of fact, they were held at different points, namely, at Big Bras d'Or, at Sydney Mines, and at North Sydney, on distinctly different dates.

Further, Mr. McKenzie assumes that the sole work of a Commissioner of Inquiry is the sitting to take evidence, whereas, this is only a fraction— and in most cases a very small fraction—of the amount of time taken up. For instance: You will note that the hearing at Big Bras d'Or included one day to arrange docket, get names of witnesses, find out what evidence they were likely to give and determine to whom subpœnas should issue, fixing place of hearing, etc. Following this, was the sending out of notices, the issuing of subpœnas, the arranging for bailiffs to serve same, etc. He further ignores what is the largest item of all in connection with these investigations, namely, that of travel. Going from Sydney to Big Bras d'Or, holding the investigations, and taking the evidence there and return, alone consumed one and a half days and a night sitting for the taking of evidence.

Further, Mr. McKenzie implied that my accounts have overlapped and that different departments were charged for same periods of time. In this, too, he is, of course, incorrect. My method has been as follows: I have kept strict account of the time during each month in which I have been engaged on the work of my commission. At the end of the month I have made up the exact number of days that I have been engaged on Government business as commissioner, and have determined as well as might be, how this time should be apportioned between the different departments. This apportionment has, for obvious reasons, been

difficult to make with absolute accuracy as between the various departments. It has, however, been easy for me to determine the precise number of days that I have been doing work of investigator, and I have in no case charged for any more or any less time than I have been so occupied. Sometimes part of a day is charged against one department, and part against another. In determining how much of each day is to be charged against a particular department, I have considered the number of investigations that I have had for the various departments during the itinerary under consideration, and have made the fairest and most equitable apportionment that I could under the circumstances, as between the various departments.

I may say that immediately on receipt of Hansard containing Mr. McKenzie's observations in this connection, I wrote the Hon. Mr. Hazen somewhat fully with regard to the matter.

Trusting that the foregoing information will be sufficient for the purpose of the Auditor General, I remain,

Yours very truly,

(Signed) H. P. Duchemin.

I would not for one moment think of taking up so much time of the House, were it not that I was flatly charged, in Hansard of March 3, 1915, with making a mis-statement. Mr. Duchemin says that he was working on these returns on the 11th and 12th of September, 1912, when he is on record as saying that they were out of his hands and sent to the department on the 7th and 9th of that month. When I found those returns, knowing the facts from my local knowledge, I felt that I was perfectly justified in bringing to the attention of the Government the fact that it was overcharged in this connection. The $128 and some cents charged here should be only $21.35. The Government should find out if it has overpaid Mr. Duchemin to that extent, in proportion on the $6,500 or nearly $7,000 that he received. The result of my investigation justifies me in the statement that I have made, and the Customs Department was not justified in charging me with having made a mis-statement.

Hon. J. D. REID (Minister of Customs): This matter was brought to the attention of the Government by the hon. member for North Cape Breton (Mr. McKenzie) during the session of 1914. I was very sorry that the hon. member took the opportunity of bringing it up when I was not present. He brought it up when the estimates of the Public Works Department were before the House, and I had not an opportunity of replying to him at that time. If I had had, there would not perhaps have been this misunderstanding. Evidently from the attitude of the hon. member in this House, he has some grievance, so far as Mr. Duchemin is concerned, and he is a little wrathy over the reply given by the Cus-

4 p.m. toms Department. Personally I did not wish to give an answer that would hurt the feelings of the hon. member; but, in answering the question, I had to state that the charges made were either true or untrue. The records in the Customs Department and, so far as I know, the evidence before the hon. member for North Cape Breton, did not justify the statement made by him. I have never seen Mr. Duchemin and I did not know anything about him until I had made inquiries after his name had been brought to the attention of the House I have made inquiries of hon. members on the opposite side of the House who know Mr. Duchemin, and they tell me that he is an upright, honourable, honest man, and that any decision that he would give in any case on which he was acting as judge, would be fair and honest so far as he was able to decide. Therefore was it fair for the hon. member for North Cape Breton shielding himself behind this House, to ask the question he did with reference to Mr. Duchemin?

Mr. McKENZIE: If the minister will look into the matter he will find that I did not ask any such question.

Mr. REID: If the records of Hansard are as I understand they are, the hon. member asked the question for the hon. member for Guysborough (Mr. Sinclair).

Mr. McKENZIE: Not at all.

Mr. REID: At all events, the question was asked. Was it fair to ask such a question as this:

> Is it the intention of the Government to take steps to recover from the said H. P. Duchemin the money so obtained by him?

Mr. McKENZIE: I did not ask that question.

Mr. REID: Well, it was asked by the hon. member for Guysborough. The answer was that the statements made in 1914, as recorded in Hansard were untrue.

The hon. member for North Cape Breton has made the statement that Mr. Duchemin sent to the Customs Department six different accounts, that is, an account for each of the six men on whom an investigation was held. That is not in accordance with the facts.

Mr. McKENZIE: I do not wish any misunderstanding about this matter. I had these six accounts in my hand when I was speaking. They are now in charge of the Hansard reporters.

Mr. REID: I have them before me. I want to put the matter in a fair way. Mr. Duchemin only rendered one account for these investigations. He rendered his account on October 31, 1912, and here is that account:

Sydney, N.S., October 31, 1912.

Department of Customs, in account with H. P. Duchemin, Commissioner of Inquiry.

To 6 days (being portions of September 2nd, 5th, 6th, 7th, 9th, 11th, 12th) travel, issuing notices, subœnas, etc., conducting inquiries re Joseph Day, Little Bras d'Or; Rod McLeod, new Campbellton, D. J. Morrison, New Campbellton, Rod McDonald, New Campbellton, R Bain, New Campbellton, and George Livingstone, Big Bras d'Or	$ 90 00
" allowance for living expenses, 5 days	15 00
" paid ferry fare	25
" tram fare North Sydney to Sydney Mines	20
" horse hire, Sydney Mines to New Campbellton	4 00
" paid for use of room for holding inquiries	2 50
" service on witnesses (10)	6 00
" Stenographer (copying evidence 26 folios and copy, and reports 28 folios and copies)	8 10
" stationery 30cts; to — postage, 20cts.	50
	$126 55

That is the only account the Customs Department ever received from Mr. Duchemin with regard to the investigations into the cases of these men, so far as I am aware, and he does not say that this is the account for one day. He states that he was engaged on other days, and in his letter--

Mr. McKENZIE: How does the minister explain the documents laid before the House by the Secretary of State? I moved for the documents, and the Secretary of State brought down six distinct bills. I am not responsible for these documents.

Mr. REID: The hon. member is entitled to an explanation of that matter, and I will come to it in a moment. I say again, Mr. Duchemin rendered only one account for these investigations. Now, the hon. member knows very well that the Order in Council provides that a commissioner shall be paid $15 a day while engaged in these investigations. He knows that Mr. Duchemin would have to travel from his place of residence to the place where the investigations were to be held and also to other places for the serving of subpœnas. Therefore it would be impossible to hold these investigations in one day. The hon. gentleman stated here to-day that all the returns of these investigations had left Mr. Duchemin's hands on the 7th of September.

Mr. McKENZIE: On the 9th of September.

Mr. REID: Yes, I wish to correct that; it was on the 9th of September that the last one left his hands. The hon. member asks why there were these accounts. In his statement he led the House to believe that there were six accounts rendered, all dated 6th September. I have before me a copy of the return laid on the table of the House, and an exact copy of that which the hon. member read, and here is one of the accounts exactly the same as appears in Hansard as read by the hon. member, and there is no date whatever on that account.

Mr. McKENZIE: I am sure the minister wishes to be fair. If he will look at the six accounts of Mr. Duchemin as furnished by the Secretary of State, he will see that the investigation was held on the 6th.

Mr. REID: I admit that one investigation was held on that date; but Mr. Duchemin goes on to show in his letter that he had to travel on other days and he had to serve subpœnas. He shows that he did other work besides the investigation held on that day. The hon. member states that six accounts were rendered by Mr. Duchemin. That is not in accordance with the fact. Perhaps the hon. member may have misunderstood these accounts.

Mr. McKENZIE: Mr. Speaker, I submit this to Your Honour: We had this matter properly before us, and I was reading from the record of the House given me by the Secretary of State. That record is in the possession of the House. I submit to Your Honour that it is not fair to me that the minister should read from another and entirely different record. There is only one record given me by the Government, and I submit that the minister should read from that record.

Mr. REID: I am reading from an exact copy. This document is entitled:

Return to an Order of the House of Commons, March 31:

"That the proper officer do lay before this House a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Rod McLeod, boatman in the customs service at Big Bras D'or, North Cape Breton and Victoria, N.S., and of

the evidence taken and reports of the investigation held by H. P. Duchemin in regard to same, with a detailed statement of the expenses of such investigation."

I think that is what the hon. member read from. The Order of the House called for a detailed statement of the expenses of the investigation. On making inquiries in the Customs Department with reference to this return, I find that the official of the department took this account of Mr. Duchemin for $126.55, and, as the hon. member for North Cape Breton had asked for a return for each of the men named in these charges, the official divided this account equally, or nearly equally, amongst these cases, and in that form the return was laid on the table. The only way the official could come to a conclusion as to what the costs were in the several cases was to divide the account equally in the way I have indicated.

Mr. McKENZIE: The minister will be surprised to find that the accounts put down so much for ferry, so much for dinner, etc., in each bill. I do not understand how the officers of the department could do that.

Mr. REID: The accounts laid on the table were: "Allowance for living expenses, 5 days, $15," and so on.

Mr. McKENZIE: Will the minister give the details of the six accounts to which I referred?

Mr. REID: I am giving the hon. member the information which I have in connection with the Customs Department; I am informed that the account was divided up as I have stated. The hon. member says that Mr. Duchemin, in connection with an investigation held on one day, the 6th, charged for six days' work. If the hon. member will refer to Mr. Duchemin's letter of June 21, he will see that on September 2 Mr. Duchemin travelled from Sydney to Sydney mines, conferred with Mr. McCormick, arranged docket and so on.

Mr. McKENZIE: That has nothing to do with the case I am dealing with.

Mr. REID: I am surprised that the hon. gentleman should make that statement. Mr. Duchemin said in his letter that he was travelling, serving subpoenas, and so on, on those different days.

Mr. McKENZIE: I was present at the inquiry on the 2nd at Sydney Mines and Sydney, which are only twelve miles distant from Big Bras d'Or.

[Mr. J. D. Reid.]

Mr. REID: Mr. Duchemin says that on the 2nd he was conferring with Mr. McCormick.

Mr. McKENZIE: But the Order in Council does not allow him anything for that.

Mr. REID: I disagree with the hon. gentleman in that respect.

Mr. McKENZIE: For any preliminaries he gets nothing.

Mr. REID: I do not wish to be unfair to the hon. member, but as I understand the Order in Council, if a commissioner occupies his time serving subpoenas and travelling long distances to confer with parties who know something about the matter under consideration, he certainly is entitled to remuneration for the time so occupied.

Mr. McKENZIE: If the minister will pardon me—

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. member has put his case before the House. It is competent for the minister to make his reply; I do not think it is competent for the hon. gentleman to enter into a discussion of the matter.

Mr. REID: In his letter Mr. Duchemin states that he was employed on the 2nd, 4th, 5th, 6th, 7th, 9th, 11th, 12th and 13th yet he charges only for services on the 2nd, 4th, 5th, 6th, 7th and 9th, six days. The records of the department show that he was employed on the 9th, which is the day upon which he made out and sent in his last report. Mr. Duchemin did not send in any false statements. He sent in a statement of accounts for the days upon which he was, in my opinion, fairly and honestly employed in connection with the several cases which he had under consideration. For his services on those occasions he was entitled to remuneration. I feel that it is unfair for any member to do anything which would give the people of the province of Nova Scotia the impression that Mr. Duchemin committed a fraudulent act. He did not do so, if he had he would not have been paid the accounts which he rendered for his services in connection with these investigations.

Mr. CARROLL: Mr. Duchemin has been publicly charged in Nova Scotia with fraud in connection with this matter.

Mr. REID: I have never heard of anything of the kind. If a charge of fraud was made against Mr. Duchemin, it is difficult

for me to understand why he should not at once have taken it up.

Mr. SINCLAIR: Does the minister not think it looks suspicious that an account should be sent in for six days' work in respect of something that it took only three hours to accomplish? If this gentleman is allowed to pad his accounts in that way, where will the limit be? What will prevent his claiming ten days or twenty days' service just as well as six by saying that on ten or twenty days he was talking to somebody about the matter?

Mr. REID: That is a fair question; I will give the hon. gentleman my opinion in that regard. I have known of cases decided in court within the space of two hours; yet in respect of that case days and weeks and months of work had to be done previous to its trial. Of course, these preliminary services had to be paid for by the parties to the suit. Every one knows that Mr. Duchemin had to travel some distance from his home—

Mr. SINCLAIR: Twelve miles.

Mr. REID: —to hold the investigations; surely Mr. Duchemin was entitled to remuneration for these services. The hon. member for North Cape Breton has the records before him. He knows well that Mr. Duchemin could not hold an investigation miles from his own home in one day.

Mr. McKENZIE: He says he did it in one day.

Mr. REID: He says that the evidence was taken on that one day, but his time was previously occupied in travelling, serving subpoenas, and so on. The hon. member for North Cape Breton, from the returns brought down, naturally understood that six accounts were rendered by Mr. Duchemin. I have explained this by saying that one account of Mr. Duchemin was divided into six different items for the purpose of showing what the charges were in connection with each investigation.

Taking into consideration the whole circumstances, I can only say that in my judgment Mr. Duchemin's charges for these investigations were fair, reasonable and honest. Mr. Duchemin did not commit any fraudulent act, and I do not think that any member of this House should, by putting a question on the Order Paper, do anything that might injure the reputation of any esteemed citizen of Canada.

THE PURCHASE OF SUBMARINES.

Sir ROBERT BORDEN moved:

That the return respecting the purchase of two submarines, brought down and laid upon the table of the House this day by the Minister of Naval Defence, be printed forthwith, and that rule 74 be suspended for that purpose.

He said: This return relates to an important matter that has involved a good deal of discussion in the House and has attracted a good deal of attention throughout the country It would seem to me appropriate that the documents should be printed forthwith so that members of the House and the people of the country as a whole may have a better opportunity of making themselves acquainted with them than they would otherwise have.

Motion agreed to.

THE BUDGET.

PROPOSED WAR TAXATION.

Consideration of the proposed motion of Hon. W. T. White (Minister of Finance) for the Committee of Ways and Means, and the proposed amendment of Sir Wilfrid Laurier thereto, resumed from March 11.

Mr. R. J. BALL (South Grey): Mr. Speaker, it is with some hesitancy that I rise to say a few words on the subject of the Budget, which has now been before us for some time, especially after it has been discussed by so many able speakers who have preceded me. Before proceeding to the Budget I might refer to a few remarks of the last speaker, the hon. member for Westmorland (Mr. Copp). That hon. gentleman and others have spoken of curtailing the expenditure of the Government for this year. I take it that in the Estimates the Government have curtailed as far as possible; but owing to the war, which, of course, was an unforeseen event, they had to make altogether unusual provisions for revenue. Then there were the ordinary liabilities and necessary expenditures of the Government, some of which were really incurred by the late Government; and contracts, for which annual provision must be made, could not possibly be eliminated or curtailed. It might not have been wise for the Government to curtail or abandon contracts which they had entered into for public buildings and other improvements throughout the country under present conditions. The Government have been urging the farmers, manufacturers and others to continue their operations so as to obviate

unemployment. It seems to me that the Government itself, being the largest employer in the Dominion of Canada, should set a good example; in fact, it controls more money and can more easily obtain money than private institutions. I think that, as far as possible, in order to alleviate distress and help on the work of the country, legitimate public works ought to be gone on with.

Reference was also made to the employment of foreigners in Westmorland while our own people were out of employment. I do not know what the circumstances of that particular case were, but I know that very often contractors and others are obliged to employ foreigners to do certain classes of work that our own people refuse to do. I sometimes wonder if our people are as diligent as they should be, and if they avail themselves of all their opportunities in connection with public works and similar undertakings.

Some reference was also made to the distribution of contracts for war materials. I have not looked very closely into this matter, but, from what I can gather, the contracts for war materials have been distributed over the country amongst the various firms who manufacture such materials without any discrimination. I think the Government, under the strain to which they were subjected and being under the necessity of providing many of these things in such a hurry, were obliged, even if they had not been so disposed, to give these contracts out almost indiscriminately. I think it was wise for them to do so, because, while manufacturers may be on one side of politics or the other, they employ men of all classes and all shades of politics. I think from a business standpoint that it would be well not to discriminate, and I believe there has not been any discrimination.

Something has been said of public criticism. It is well for us, even as political parties in this House, to be careful of criticism that goes out before the public. It is sometimes very hurtful. We have now before a Committee of this House an investigation into the matter of boots supplied to the soldiers. I have no doubt that when the investigation has been completed there will be very little fault to be found; yet from an international standpoint, that investigation has been very hurtful, and I have no doubt that Canadian manufacturers have suffered in consequence. The Governments of France and Russia and perhaps other countries which might have made purchases in this country will refrain from doing so owing to the reputation that has been given to the Canadian boot. There are many matters such as this which are international in character, in handling which we ought to be very careful and discreet. Of course, the Opposition must investigate where there are real reasons for doing so, but to my mind there have never seemed to be much cause for this investigation.

The hon. gentleman referred to the tariff as it affects his locality, that is, the province of New Brunswick. This is one broad Dominion, and it seems to me very difficult to enact a general tariff that will not strike somebody unfairly. For instance, in Ontario, and I presume in western Quebec, we have to bring bituminous coal from the other side and have had to pay a duty on it of 53 cents per ton. In addition to that there will be the 7½ per cent further duty as war tax. I presume this duty is imposed in order to protect the Nova Scotia coal mines. I have heard very little complaint of that. Canada being a broad Dominion, it is very difficult to legislate for particular localities.

Reference was also made to the supposed clashing of interests between farmers and manufacturers. I was very much pleased at the remarks of the hon. member for East Huron (Mr. Bowman) last night on this subject. I see no reason why there should be any conflict or rivalry between the farmers and the manufacturers of this country. They should co-operate. In fact, in Ontario there is very little of that feeling. I believe that the farmers appreciate the advantages which they derive from the presence of manufactories in their districts, and the manufacturers appreciate the presence of the farmer. A great deal has been said on this subject by western members who seem to have a feeling of antagonism towards the manufacturers of the East. The same spirit does not prevail in Ontario, as far as I have been able to learn; we are glad to know that the West is prospering and has good prospects, and we are sorry to find any depression there. There should be mutual good will over the whole Dominion in these matters; there is no reason why one section of the people should be stirred up in antagonism towards another section of the people. The proper way for this country to prosper is on the line of co-operation. I have no doubt that before many years there will be manufacturing industries in the West. Winnipeg to-day has a great many industries, and there are industries in many of the larger towns farther west. The farmers

of the West will find the towns thus developed of great help to them.

Something was said about people, through unemployment, being almost void of the necessaries of life. If that be the case, we cannot very consistently ask the Government to withhold contracts. It would seem to me to be a time when the Government ought to proceed with public works just for that reason, namely, to help to alleviate the problem of unemployment. In many cities, as in Toronto, and I have no doubt in Ottawa, men have been employed shovelling snow and doing other work which might have been dispensed with, simply that the unemployed might be furnished with a legitimate means of livelihood. For similar reasons I think the Government ought to proceed with public works.

Reference was made to the new war stamp. It was suggested that instead of having a war stamp, the two-cent stamp should have been made a three-cent stamp, that is, that the old domestic postal rate should have been restored. We are living under very special conditions at the present time. There is a great European war in progress. We hope that there will never be such a war again in our time or for generations to come. I have no doubt that one of the objects of the Government is to interest the Canadian people in this war and to impress its great significance especially upon the minds of the young. The imposition of special war stamp taxes will have a great effect upon the mind of the child going to school. It will imbue him with a love for his country, and emphasise the importance and significance of the period through which we are passing.

I must congratulate my hon friend the Minister of Finance (Mr. White) on the able manner in which he has handled this Budget. I have heard no complaints from my riding nor from any other part of the country through which I have passed in regard to the proposals which he has laid before the House. The people know that there is a war on. They have encouraged the Government to send forward troops to assist Great Britain in the war. They have sent forward their sons and are willing to assist the Government in every way possible to carry on the war. They have been expecting taxation in some way or other. Taxation by way of customs duties seems to be the most reasonable way of collecting the money that is required for this purpose. We have in existence the ordinary customs tariff. Last August a special war rate was levied through the customs tariff, and now we have another special war rate imposed. The last special war rate affected the people generally. My hon. friend the Minister of Finance has seen fit to tax those who are best able to pay. For instance, he taxes the banks, public institutions, loan companies, insurance companies, cable and telegraph companies, and business men, in the proportion to the business they do. This seems to me to be the best way in which the taxes could be levied. The tax touches us all pro rata as nearly as can be. The farmer does not expect to be exempt from this war tax. Why should he be? The farmer is just as much interested in this war as we are. The farmer's son, the boy whom he has raised, sent to school and fitted out for life, has now gone to the front; he wants that boy to be taken care of. The only way he can be taken care of is by the Government making provision in this way, and to do this we must provide the necessary money. The labouring man does not wish to be exempt. His son has also gone to the front, and he is just as much interested in seeing that his son is properly provided for as is any other member of the community. But he is not so heavily taxed as those who are better able to pay. The levying of taxes and the paying out of their money will have a good effect even upon children.

We know the cause of this war: it has been caused by one man. We cannot but wonder at the power that one man can exert over a continent and over the world. The war was caused by the inordinate lust for power and territory of the German Kaiser. This war did not spring up in a day. We have a depression, but a depression has existed the world over for some time. Two or three years ago we had the Balkan war. Europe seemed to be convulsed; in fact, we did not know where the trouble was going to break out again, whether in Europe or Asia. Finally, a couple of years ago, it broke out in the Balkans, and then the nations began to retrench financially. It takes money to carry on war, and the nations began to be more careful of their finances. When the Balkan war was ended this present war began to loom up. A year ago nobody had any definite idea that we would now be in the midst of war. The clouds were hovering around, the nations felt that something was going to happen, and in order to provide for whatever might happen England, as well as our own Government, began to retrench. England began to draw in her sails in the matter of finance. Imme-

diately after the war broke out Canadian and other loans became more difficult to negotiate in Great Britain. Great Britain husbanded her finances in order that she might be able to take care of her national interests. We are pleased to know that she has also taken this colony of hers, Canada, under her wing, and has assisted her in the difficult task of financing. We are glad to know that we are able to finance under such favourable conditions. Most of the nations of Europe are involved in this war. We have Germany, Austria and Turkey on one side, and Great Britain, Russia, France, Belgium, Japan, and the British colonies on the other. This brings the matter home to us in a very decided way. Canada is inhabited by people of many nations. We have people of English, Irish, Scotch, German, French, Austrian and other nationalities. Perhaps we are too much given to sectionalism and to the perpetuation of national distinctions. I like the word "Canadian" better than any other, and I think that the sooner we realize that we are all Canadians the better it will be for this country of ours. In western Canada we have a great many German people. Many of these people are in my own riding. They find themselves in a very difficult position at the present time. Many of them have their brothers and friends fighting in the war against Britain. These people are endeavouring to be, and I believe are, loyal to the Crown under which they live. We can understand their difficulty. They are deserving of our sympathy, and we ought to be careful not to estrange such German citizens at this time. In my own riding they are an industrious, law-abiding, thrifty and loyal people. Many of them, no doubt, coming direct from the fatherland, have a love and affection for that land while loyal to the country they live in. In a generation or two this feeling will pass away, and we shall all become one people.

A year or two ago there was much talk of an emergency. There must have been an emergency at that time, as this war has broken out so suddenly. Germany had been preparing for the war. The Kaiser probably has been preparing for the last twenty-five years or more, and therefore it was up to the rest of the nations of Europe to see that they also were prepared. We had considerable discussion here about dreadnoughts and naval preparations for war a couple of years ago. I have no doubt that the British Government at that time realized the danger, and it may be that some members of this Government had some hint as to the danger that was then in the air. It would have been very gratifying to us now if some of our dreadnoughts had been in the fighting line.

At the present time trade and financial depression extend throughout every country in the world, and it is for the Canadian Government to help business along and to carry out all the contracts which the country has entered into, so as to encourage the people and help them to struggle along until the hard times have passed. The industries which are turning out war materials do not perhaps feel the depression so keenly, but factories that are making what might be more or less called luxuries are undoubtedly adversely affected by the war. In my own town of Hanover we find that the war affects us greatly Our town was in good shape before this appalling war broke out, but since then business has become more or less stagnant, and the same remark would apply to Berlin, Stratford, and other towns in which the furniture industry is carried on. The Government has been very liberal with our banks, and I think that the banks in turn should assist business men who are legitimately entitled to advances, and in cases where the security is perfectly good. It seems to me that the banks could do a great deal in the way of helping business until the war is over and there is a recovery.

The farmers of Canada are no doubt in a prosperous condition, and we are all glad to know it, because nobody envies the farmer all he can get out of his industry. Perhaps the best way to draw people to the land is to develop agricultural education, and the present Government has done a great deal in that direction. I believe also that the education in the public schools should be more directed along the lines of teaching agriculture, for it is a regrettable fact that up to the present our young people have been trained more for professions and other occupations which take them away from the land. The inauguration of rural mail delivery and the parcel post by the Government, as well as the establishment of rural telephones and the development of electricity during late years, all bring the comforts of urban life to the rural population and tend to induce people to cultivate the land and to stay on the farm.

We have had during late years a good deal of trouble over labour matters in this

as in other countries; but now that there is a wave of industrial depression, conditions have become better in this respect. It seems to me that we are inclined to legislate too much, in Canada as elsewhere, for the settlement of labour disputes. In my opinion the better way to settle such disputes is to let the individual employer and the individual workman negotiate between themselves. In my own town we have never had labour organizations, and we have never had strikes of any kind; our thrifty working-people for the most part own their own homes; and harmony prevails among all classes of the community. I have already spoken of the concord which should exist between the farmer and the manufacturer and other business men in the community.

The action taken by the Government to give seed grain to the farmers of the West has, I think, met with the approval of all classes. There have been 48,630 applications received for seed grain, which will supply 3,473,456 acres, requiring 6,000,000 bushels of wheat and oats. I believe that the Government is treating the West very generously in this respect, and I am glad that the farmers of the West will be helped thereby. The Ontario Government is providing for its own people; Manitoba and the eastern provinces are doing the same; but in the prairie provinces, Manitoba excepted, it is the Dominion Government which has taken action, and we trust it may be successful in relieving the situation there. I believe that this Government deserves a great deal of credit for the manner in which it has conducted the affairs of Canada since it came to office, and I congratulate the Minister of Finance upon his Budget, which I believe to be as fair and equitable as it possibly could be. I think it bears equitably on all, and I have no doubt that all the people of Canada are willing to contribute to the expenses of this war. I believe that the Budget has so arranged things that all classes will contribute in proportion to their ability to pay, and that the policy of the Government in this respect will be endorsed by the electorate. In my own riding, so far as I have been able to learn, the people are at one in endorsing the course taken by the Government to provide means to enable Canada to bear her share in this terrible war.

Mr. D. B. NEELY (Humboldt): Mr. Speaker, I have listened with some degree of interest to the remarks of my hon. friend from South Grey (Mr. Ball), and I must express my regret that I cannot agree with a number of his conclusions. The hon. gentleman, and other hon. gentlemen on the Government side, seem to view with very great complacency the tariff proposals we are now considering. I can quite understand that the mental attitude of the hon. gentleman might be influenced to some extent by the fact that his livelihood is gained in an industry which certainly will benefit largely by the proposals in this Budget. My hon. friend deprecates the idea of putting class against class, the manufacturer against the farmer and the farmer against the manufacturer, and I quite agree with him that there should be the best possible relationship between all elements of our citizenship. I agree with him also when he says that the farmers appreciate the presence of the manufacturers in this country; and I agree with him when he says that the manufacturers appreciate the farmers, I should say they do, and they will appreciate them a great deal more when these tariff proposals have become law. My hon. friend, who is a practical business man, comes to the defence of the Government when he says we must not blame their policy for the widespread depression that exists in commercial and financial affairs throughout Canada. I must differ sharply with my hon. friend in his conclusions, for, in my judgment, the policy of this Government since it came into office has had a great deal to do with the financial and commercial depression that exists in Canada to-day. This Government came into power on a policy which, if it meant anything at all, meant restriction of trade to the Dominion. If a policy of restriction of trade has not for its logical conclusion commercial depression and unemployment, then I understand nothing of the principles of political economy.

The defeat of the trade agreement of 1911, brought about by the protectionist arguments of hon. gentlemen who now occupy the Government benches, is and must be considered largely responsible for the present commercial depression. In the first place, it was a great blow to production in this country, in that the great community engaged in the industry of agriculture, which is the foundation of Canada's prosperity, was prevented from obtaining, on terms of absolute preference, what in my judgment and in the judgment of the great

majority of my constituents was the best possible market in the civilized world.

Mr. EDWARDS: Would the defeat of reciprocity account also for the depression in the United States at the present time?

Mr. NEELY: My hon. friend will have to demonstrate first of all that the premises on which his question is based are sound, and that there is a condition of financial depression in the United States similar or equal to that in Canada.

The defeat of the trade agreement of 1911 was also a severe blow to production in this country, in that it meant the stemming of the tide of that class of immigration which is largely responsible for much of the development and prosperity of Canada in recent years. Take the best class of immigration that we have in Canada to-day, in western Canada particularly—I say the best class, because the immigrants come to us not only with money but with equipment and with experience that is worth more than money—the class of American farmers who for years past have been flocking into Canada from the farming states to the south. The defeat of the trade agreement of 1911 did more to stem that tide of immigration than anything else that has ever occurred in Canada's history. Since 1911, there has been a great falling off in this class of immigration, to the great loss not only of the people of western Canada, but of the people of every part of the Dominion.

What does this Government stand for in the matter of its trade policy? My hon. friend the Minister of Finance is exceedingly sensitive about criticism or question of motive as to why the present tariff legislation has been brought before the House and the country. I say in all sincerity that no matter that could be brought forward by the Government having for its object the paying of our proper Bills—the 5 p.m. paying of Canada's share in the successful prosecution of the great struggle in which the Empire is engaged—would meet with one word of criticism from any hon. member on this side of the House; but I strenuously object to the people of Canada and hon. members of this House being asked to vote for proposals labelled as war-tax proposals, when the Minister of Finance himself admits that the objects of this legislation are not to pay the expenses of the war. That statement, made in the first Budget delivered ance of this session by the Minister of Finance, cannot be mistaken. He says in the clearest language that every dollar of Canada's share of the expense of this war is to be obtained from the Government of Great Britain, and that this extra tax is to meet that great gap, which he sees before him, between the current revenue and the current expenditure, outside of the expenses of the war.

My hon. friend the Minister of Finance takes criticism of his proposals almost as personal criticism of himself. It is a well-known fact that all egotists are thin-skinned; and when I point to the fact, which was abundantly demonstrated in the three-hour speech of tne Minister of Finance the other night, namely, that he appears to assume the whole responsibility of the financial situation of Canada at the present time, one can quite understand how criticism would be exceedingly unwelcome to one who has such a high valuation of his own abilities.

It took only a matter of a few minutes to run over the speech of the Minister of Finance the other night, and count the number of times the Finance Minister had actually used the first personal pronoun. I could hardly believe the result myself when I was told that he used it no less than 435 times, and that exclusive of references made by the hon. gentleman to himself as "me" or "my." That would be an average of about 145 times an hour, or about two and a half times a minute. Sir, we have been accustomed to regard the Emperor of Germany as the greatest egotist in the world, but even he is more moderate than my hon. friend. The Emperor of Germany takes a partner with him, for his expression as reported to us is "Me und Gott." But my hon. friend the Minister of Finance does not share responsibility or honour with anybody; he takes it all himself. He assumes the most injured air towards members of the Opposition because they dare to question the express object for which these tariff proposals are brought down. Although the Minister of Finance holds a much more important place in this House and in this country than I do as a private member of this House, I would counsel him to cultivate a spirit of stolid indifference to criticism, for I believe it would make him a more useful member of this House and a better minister and member of the Government. If he is thin-skinned about criticism, I am not, and I propose therefore to inquire, as best I can, into the underlying motive or principle

that actuated these proposals now under consideration.

I disagree with the hon. member for South Grey (Mr. Ball) and with the Finance Minister when they say that this Government are not to blame for a large part of the depression that exists in Canada to-day. Let me ask the Minister of Finance what was the condition of Canada's trade before the outbreak of war in August, 1914? What was the condition as to our imports? My hon. friend from Red Deer (Mr. Michael Clark) put that question to the Minister of Finance the other night—and he did not get an answer. That question has not been answered, and it is not capable of being answered by the Minister of Finance. My hon. friend from Red Deer pointed out that while in the United States and Australia, for months preceding the war, imports were on the increase; in the case of Canada, for months preceding the war, there was a constant falling off of imports. What had the war to do with that situation?

In that connection, let me point out to the House that these tariff changes are not the first that have been brought before this House for the replenishing of a falling revenue. We had a Budget speech about a year ago, in which the Minister of Finance increased the tariff and put new taxes on a very considerable list of articles consumed by the people of Canada. There was no war in April, 1914; and I presume that when these increases in the tariff were made, the object was, as my hon. friend says the object is in the present case, to increase the revenues of the country. Well, let us be frank, and I am going to be frank when I say, notwithstanding the somewhat theatrical statement of the Minister of Finance when he said: "I refuse to vindicate myself; I refuse to answer this imputation against my motives in bringing down these tariff proposals"—that, in my judgment, we have every reason to come to the conclusion that these tariff proposals of the present Budget are just one further step in the carrying out of a definite and settled policy of this Government, which policy they had in their minds when they took office. Since this Government took office we have been given every reason to come to that conclusion. We found this Government tampering with the regulations under which our tariff was administered with reference to certain articles. Take, for instance, the item that means so much to the people of Western Canada, and more or less to all of Canada, the item of lumber, and what did this Government do with reference to that, very shortly after they came into office? Whereas certain classes of rough lumber had been allowed to come into this country free, on the advice, apparently, of members of this Government, a new decision was arrived at by the Board of Customs, and this lumber was declared to be dutiable at $2 a thousand feet extra. Nothing saved us from that extra burden but the decision of the Supreme Court of Canada, which decision was to the effect that this class of lumber was not dutiable under the statute. But for that decision the people of Canada would have been bearing that extra burden. That is one of a number of such instances. The legislation with regard to the importation of fruit was an instance; the legislation with regard to the importation of fertilizers was another instance. These things, followed up as they were by the legislation of 1914, the tariff changes of last year, I contend, give us every reason to believe that in the proposals now before the House, the Government are simply carrying out a policy which they had laid down for themselves, or which their friends had laid down for them, when they came into office in 1911.

Previous to August, 1914, no war was taking place, yet conditions in Canada were very bad; export trade and revenues were falling off. When the minister made his Budget speech at the last regular session of Parliament, he did not, any more than the humblest member of this House, foresee the conditions of war which now prevail. Yet in view of the falling off of imports and, consequently, of revenue, did not the hon. gentleman foresee that at this session of Parliament the legislation which we are now considering would be introduced? Did he not foresee a deficit, aside altogether from the conditions created by the war? My hon. friend does not answer; perhaps he will later. When he is answering that question, I should like him to answer another. If the taxes that he now proposes to impose upon the people of Canada are, as he calls them, genuine war taxes, what will become of them when the dreadful conflict which is now in progress is brought to a conclusion? If these are war taxes, I presume that they will cease when the war is over. Will the Finance Minister be good enough to tell the House at some future time, if not at the present moment, whether or not these proposed enactments will be wiped off the statute books when the war is over and Canada's trade resumes something like a normal condition? I think that is a fair question to ask the hon. gentleman, in view of the fact that

he so earnestly desires this House to look upon these tariff measures as war taxes to pay for Canada's participation in the war.

I question the expressed object of this legislation, namely, that it is for the purpose of raising a larger revenue to meet the extraordinary expenses incurred by Canada in connection with the war. If this tariff increase were put on expressly for the purpose of raising a revenue, in my judgment that increase would consist not of a flat increase in the duties on all imports coming into the country, but of a tariff rate graduated to meet the conditions prevailing in respect of each of the various classes of imports proposed to be taxed. We are asked to approve an increase of 7½ percent on practically every class of goods entering into Canada from foreign countries, and an increase of five per cent as against goods coming into Canada from Great Britain. This method of dealing with the tariff does not seem to be consistent with the principle that the imposition of tariffs is a scientific method of obtaining a revenue. Nothing so surely refutes the Finance Minister's contention that these tariff increases are intended merely to raise a revenue to meet war expenses, than the very manner in which they are made. The hon. gentleman should know that some articles coming into this country will stand a higher rate of duty than others; this is particularly applicable to articles that are not produced in Canada. What will be the logical result of this unscientific method of raising revenue? The Finance Minister says that his proposals are made for the purpose of creating a revenue. Granted. But if these tariffs do not bring about the desired revenue; if they fall short of the object which it is proposed they shall accomplish, what then? My hon. friend the Minister of Finance said the other night: I see my way through this very difficult financial situation; I saw my way through it last August, and I see my way through it now. If the hon. member has such clarity of vision, no doubt he will be able to tell the House and the country what kind of proposals he will bring down to the House if his present tariff proposals do not produce the desired revenue—that is, if it is the will of Providence that he have the privilege of presenting another Budget to this House. A great many articles coming into Canada will now be taxed as high as 42½ per cent; yet we have absolutely no ground for believing that this new tariff legislation is going to produce the additional revenue that the Minister of Finance desires. If it does not, what shall we do next? Shall we have another 7½ per cent general increase and another 5, 10 or 15 per cent increase in the British preferential rate? To what follies would the protectionists lead the people if they had their way without let or hindrance, and were able to carry out their policy to its logical conclusion? In my opinion, the logical result of their policy would be in the creation of a tariff wall so high that no imports could come into Canada to compete with similar articles manufactured or produced in this country.

We on this side of the House regret the necessity of differing with the hon. minister and of questioning his motives, but we doubt whether it is really intended that these tariff proposals will increase the revenues of this country.

But whatever other effect they will have they will certainly and surely increase the cost of living to every consumer in this country. I can give a few very practical illustrations of what an increase in the tariff means to consumers in this country. My hon. friend last year was good enough to place a duty of $4 a ton on wire rods coming into Canada, these having formerly come in free. What was the effect of this increased duty? We were led at that time to believe that this would not result in any greater price being paid by the consumer for the finished products from those wire rods. Why, Sir, it was not a month after the coming into effect of that legislation before every farmer and every artisan in this country who wanted to buy a keg of nails had to pay 25 cents to 50 cents a keg more for the nails which they purchased. I had the privilege a couple of months ago of attending a farmers' meeting in my constituency, called for the purpose of organizing a rural telephone system. This system was to run out some 20 or 25 miles to a settlement of people who lived that far from a railroad —and I regret to say that I have many people in my district who live even farther than that from the nearest market town. These people proposed to have a farmers' rural telephone line which, with its branches into the residences en route, would probably amount in five years time to a total installation of 40 miles of telephone line. When they came to investigate the cost of building that line it was found that for every mile of telephone wire used those farmers would have to pay from $5 to $7 more because of the additional

duty on wire rods placed by my hon. friend last spring. That is a practical illustration to my hon. friend of what these tariff proposals are going to mean to consumers in this country, in the matter of higher prices for the materials they have to use. These are small items, but they show the effect of the tariff legislation of last year.

We talk about patriotism and production; we ask our farmers to grow larger crops, of better quality; and yet, Sir, under these tariff proposals, the farmers of this country are going to have an added burden of another 7½ per cent on the prices of the agricultural implements which they will have to buy. For the moment I exclude from that statement reapers and binders and mowers, which are not touched by the 7½ per cent increase; but on all other classes of agricultural machinery we have a horizontal increase in duty of 7½ per cent. I have every reason to believe, and I think the authority of my information cannot be questioned, that already the agricultural implement men of this country are arranging and have arranged to increase the prices of their goods to the farmers, as a result of this 7½ per cent increase. I must accept the word of the hon. member for Brantford, and I do accept his word, that the Cockshutt Plow Company cannot and must not be included in that category. Perhaps a little inside history would not be objected to by my hon. friend from Brantford in this connection. It is a very well known fact that for some months back, for a year or so, the Cockshutt Plow Company of the city of Brantford, Ont., has not enjoyed, under good Conservative rule, that measure of prosperity which it enjoyed under the Administration of my right hon. friend and leader (Sir Wilfrid Laurier). I believe that from the 1st of July last that company has passed up its dividends to its stock-holders, or so I am informed, and on top of that financial situation that company, I am informed, had already a large inventory of goods in its warehouses, not only in the East, but particularly throughout western Canada. I can quite see how this legislation will particularly suit the requirements of that particular company. It does not propose until it can dispose of this large surplus of products to increase prices. But, Sir, it will have the benefit of the 7½ per cent increase to protect it from the importation of the foreign-made product. I can very well foresee that when this company has disposed of the very large surplus now in its warehouses it will not be very long in joining the other manufacturers of agricultural implements, the Massey-Harris Company, the International and others in putting the price just as high as the new tariff will permit. I am sorry my hon. friend from Brantford is not here to hear my statement, because I do not wish to do him or his business any harm; but I say that if his company or the company with which he is associated has not already raised its prices as a result of this increase of the tariff on agricultural implements, it is because the situation existing in that company itself does not make it feasible for it to do so at the present moment.

What about leather and leather goods under this 7½ per cent increase? I am told, on what I consider good authority, although I am open to correction if my information is not correct, that from the day on which my hon. friend made his first Budget statement this session the wholesale leather people of this country immediately notified their customers, the boot and shoe manufacturers, that leather had increased 7½ per cent in price; and I am also informed that the manufacturers of boots and shoes have come to the conclusion that as they are paying 7½ per cent more for their raw material, they must tax their customers, the jobber and retail man, at least another 5 per cent, and ultimately, of course, this must be paid by the consumer, the man who wears the boots and shoes, because of this benevolent Finance Minister who has increased the protection to the wholesale leather manufacturer to the extent of 7½ per cent. These are some of the facts in connection with the practical working out, so far as the consumer of Canada is concerned, of these tariff proposals of my hon. friend.

There is this to be said: We are helping out the Canadian manufacturers. I do not suppose this country has ever in its history seen a more carefully or splendidly staged performance than the performance of the Canadian manufacturers since this war has broken out. Our attention is everywhere directed to the theory that we should use goods only that are made in Canada. My hon. friend who moved the address in reply (Mr. Weichel) made that the burden of his speech and the Minister of Finance tells us that it is the proper method for people, like individuals, to make what they need instead of buying it abroad. I do not think the people of Canada need that sort of propaganda. The patriotism of the Can-

adian people is so honest and sincere that when it comes to a question of choice as between Canadian made goods and goods made in a foreign country, if the quality is equal and the price the same, they will buy the goods that are made in their own country. But if the Minister of Finance wanted to buy a new automobile for himself, or his department, and if he could get a better machine at a lower price in the United States than he could get in Canada, I question whether he or any other member of the House would consider very seriously this propaganda of "made-in-Canada." Of course, we want to see the industries of this country develop and flourish, but we cannot consent to their flourishing solely and entirely at the expense, and at the loss, of the great mass of the consumers of the country. If you carry the principle of this made-in-Canada propaganda to its logical conclusion, where do you arrive? We put an extra tariff in order to increase the revenue and in the very same breath we are educating the people through the Budget of the Finance Minister to use goods that are made in Canada. If you are going to use only goods that are made in Canada, in the name of common sense, how is this new tariff going to produce an increased revenue? If we are going to get a revenue from the tariff it must be because we import foreign-made goods and if we use exclusively goods made in Canada then my hon. friend's proposals will be a dead letter on the statute books. You cannot eat your cake and have it too. You cannot carry out this propaganda to its logical conclusion and expect increased revenues from the customs tariff on goods coming into the country.

As far as the manufacturers are concerned I fail to see why, at this crisis in our country's history, they should have required this special legislation. For over forty years Canada has had a protective tariff. Even under the late Administration there was a very large element of protection in the tariff. We have had a protective tariff and certain industries, many of whose representatives sit on the opposite side of the House, have enjoyed the benefit of that protection. For what purpose and to what end? For what purpose if not for the purpose that when Canada would be passing through just such a financial and commercial crisis as that which confronts it at the present moment, these men, these industries that have been built up under forty years of protection and special consideration, should be able to bear the brunt of the sacrifices that Canada would have to make to meet the situation. But what do we find to-day? We find our manufacturers receiving the benefit of millions of dollars worth of special orders from the allied nations who are at war. They have the additional advantage that the war itself has cut off the foreign exports of one of the greatest manufacturing countries in the world, namely, Germany, and the manufacturers of Canada have the opportunity of a lifetime at the present moment, because if they wanted to reach out their hands they could lay hold of a large share of Germany's and Austria's foreign export trade.

The protected interests that have been taken care of since Canada was brought into Confederation, ought to be saying to the Government and to the people of Canada: You have given us special consideration for the last forty years, you have protected us from foreign imports by the tariff, we have built up flourishing industries, we have made money, we have succeeded and to-day we come to the defence of our Government, of our country, of our Empire by offering up the money which we have made out of the special privileges and benefits we have obtained under protection in the last forty years, but instead of that we find them coming to the Government and asking for further protection of 7½ and 5 per cent. I feel deeply on this question because I know that every man, woman and child in this country is going to feel the pinch of this legislation in the very near future and that the people are going to feel it, Sir, where it touches them most—in the things that they put upon their tables and that they put upon their backs.

My hon. friend the Minister of Finance sees no light in any of the suggestions that have been offered from this side of the House as to any other method by which larger revenues might be obtained to meet the extra burden of the present situation. I would like to call his attention to a little item that appeared in the Ottawa Evening Journal on Monday, March 8, in the form of the following despatch:

> London, March 8.—A despatch from Berne, Switzerland, says: A Bill has been submitted to the German Reichstag imposing a special tax on the profits of manufacturers of war materials. The tax is retroactive and the commissioners already are obtaining returns from all firms which have been supplying the army and navy since August last.

There is some initiative on the part of a country whose fiscal policy seems to be so

much admired by this present Government. I recommend this method of obtaining revenue to the Minister of Finance. The income tax and the land tax he throws aside as broken reeds. Perhaps, following the example of Germany, if he will go over some of the contracts let by the Canadian Government during the last six months, he will be able to find a margin of profit to the manufacturers of these supplies, which might very well be divided up with the treasury of the country and still leave a very handsome profit to the contractors.

These are some of the objections we have to the proposal in this Budget as to a 7½ per cent increase on goods coming in from other countries. But let me say that while we object to this horizontal increase of 7½ per cent, because we do not on this side of the House believe it will bring about the desired results, because it will go largely into the pockets of the manufacturers and not into the treasury of the country; in all sincerity I say we might possibly try out this further tariff experiment, were it not for the fact that the Government has added this—I would not care to use the words that come to me to describe it—most reprehensible proposal to increase the preferential rate on goods coming from the Mother Country.

What is the situation which Canada and the Empire are confronted with? The Minister of Finance threw a very serious charge against members on this side of the House the other night, when he said that in his judgment there was not apparently among us a proper realization of the great gravity of the present struggle in Europe. Sir, it is because we Liberals do appreciate the gravity of that situation that we now propose to vote against increased obstacles to British trade, through the addition of an extra tariff of 5 per cent on British goods. Let it be distinctly understood that we do not do this in a challenge to the Government; we are not doing it with the idea of throwing down the gauntlet or placing a chip on our shoulder, because let me tell hon. gentlemen opposite that if they want to take this issue and this vote as a reason for an appeal to the people of this country, they will have to do it on their own responsibility. We on this side of the House will not share that responsibility. We refuse to share it, because when we did agree, as we did agree last August, to aid this Government in every possible way to carry on successfully Canada's part in the war, we did not agree at that time or at any time since, to conform our views to the present proposal of the Government, that we can best play Canada's part by placing obstacles in the way of Britain's trade. Look at the present situation! The Minister of Finance says that this increased tariff against British goods really gives the British manufacturer a further preference in our markets over his competitors from other countries. The plain fact is that this increase in the tariff means another five dollars on every hundred dollars' worth of British goods coming into this country and that at a time when Britain's trade is staggering under a load which that trade has never before been called upon to bear. I sincerely and honestly say, that in my judgment this tariff proposal is the most severe blow at Britain's trade which she has received since the outbreak of the present struggle. What are the conditions? Britain is a great exporting country; her trade with Germany is cut off, her trade with Austria and Turkey is cut off, her trade with all foreign countries is necessarily hampered by the lack of transport, by the scarcity of labour, by higher ocean freight rates, and by the high cost of marine insurance. I should not be surprised had I the figures at hand, to find that the extra freight rates on account of the greater risk of war meant an additional obstacle of five or ten per cent in the way of Britain's exporting goods to Canada. Labouring under these obstacles at the present moment, and at the same time reaching out a helping hand to every one of her colonies that need her financial assistance, Canada, Australia, New Zealand, as well as to the weaker of the allied countries, Belgium and Servia; with this enormous burden upon her shoulders, and with the solution of the war based upon Britain's financial stability and strength, the foundation of which is her export trade to the other countries of the world, I say, Mr. Speaker, that we are striking at the very heart of Britain's strength when we undertake to put this extra obstacle against the importation of British goods to Canada.

The Minister of Finance replied to my right hon. leader in the the old familiar way, when he said that the enormous expenditures and terrible burdens of this country which he, as Finance Minister, had to meet, were the consequence of the policy of the preceding Administration, and he pointed particularly to our large expenditure in recent years on transportation facilities. That argument is our old familiar friend, but what are the facts? We know perfectly well that for the expenditure on the Hudson

Bay railway the leader of the Government must assume just as much responsibility as the leader of the Opposition, because preceding the last election the leader of this Government pledged himself to the people of Canada that if he were returned to power he would build the Hudson Bay railway; and as an hon. friend reminds me, he said that he would build it much faster than the Liberal Administration would.

Let us take the case of the National Transcontinental railway. It is too late to discuss the question of the advisability of building that railway. The people of Canada decided that question in the election of 1904, and they decided it very largely in its favour. When my hon. friend the Minister of Finance brings back those stale arguments about what the original cost was supposed to be and what the road actually cost, he knows from his own experience, since he has been a member of this Government, that many things cost a great deal more than one originally expects them to do. What, for example, about that public building, almost within sight of Parliament? When the Government is through paying for it, it will find that that building will cost a great deal more than was originally anticipated. This Government paid out over $100,000—I think I am correct in the figure—to a couple of gentlemen, partisan friends, who spent over a year in investigating every contract in connection with the construction of the National Transcontinental railway, from one end to the other. What conclusion did they arrive at? Every hon. gentleman opposite knows that, before that report was brought into this House, rumours were spread broadcast throughout the country as to what great scandals were forthcoming against the late Administration. Since that report has been brought down and discussed here, scarcely a reputable Tory newspaper has dared to print a single line or to make a single reference to it.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

The House in Committee on Private Bills, Mr. Sevigny in the Chair.

Bill No. 52, respecting the Montreal, Ottawa and Georgian Bay Canal Company—Mr. G. V. White—in committee.

[Mr. Neely.]

On section 1—extension of time for completion:

Mr. GRAHAM: This went through the Railway Committee, did it?

Mr. LANCASTER: Yes. This is in exactly the same terms as the Bill of two years ago, with the same provision for the protection of the Government as to damages.

Mr. NESBITT: What extension of time is allowed?

Mr. LANCASTER: Three years to commence and nine to complete. We do not have the same rules with regard to canals as to railways.

Mr. NESBITT: Under certain circumstances we have the right to take it over?

Mr. LANCASTER: Yes. And if the Government take it over they pay only limited species of damages.

Mr. GRAHAM: Has the Government any policy to announce on the Georgian Bay canal?

Hon. W. T. WHITE: This is hardly an opportune time to discuss the general question. The Minister of Public Works (Mr. Rogers) is not present. I understand that the policy of the hon. gentleman (Mr. Graham) is to stop all public works.

Mr. GRAHAM: No.

Mr. WHITE: That is the view expressed by many of his associates. The policy of the Government, as announced in the Budget speech, is that we are not proceeding with new works until the sources from which the expenditure is to be defrayed are apparent.

Mr. CARVELL: Not much hope for the Georgian Bay canal this year.

Mr. WHITE: Does the hon. gentleman suggest that we should go on with it at once?

Mr. GRAHAM: No, my suggestion is that the hon. gentleman should make up his mind at once about it. If he does not intend to do anything this year, let him make up his mind whether or not he intends to do something next year. A commission was appointed a couple of years ago to investigate the commercial possibilities of this scheme. Have they made any report to the Government?

Mr. WHITE: No report has been made. I understand that the commission is at work obtaining the necessary information as

the basis of the report which they will subsequently make.

Bill reported, read the third time, and passed.

Bill No. 65, respecting the Toronto, Hamilton and Buffalo Railway Company—Mr. T. G. Stewart—in committee.

On section 3—powers, etc.:

Mr. NESBITT: Is the Toronto, Hamilton and Buffalo railway operating now?

Mr. LANCASTER: Yes. The Erie and Ontario railway joins the Toronto, Hamilton and Buffalo railway at Smithville.

Mr. NESBITT: What is the present bond issue of the Toronto, Hamilton and Buffalo Railway Company?

Mr. LANCASTER: I cannot say at the moment.

Section agreed to.

Bill reported, read the third time and passed.

The following Bills were considered in committee, reported, read the third time and passed, without discussion:

Bill No. 49, respecting the Calgary and Fernie Railway Company.—Sir James Aikins.

Bill No. 50, respecting the Canadian Western Railway Company.—Sir James Aikins.

Bill No. 54, respecting the Toronto Terminals Railway Company.—Mr. Macdonell.

Bill No. 62, respecting the Bank of Alberta. —Mr. Douglas.

Bill No. 61, respecting the Simcoe, Grey and Bruce Railway Company.—Mr. Middlebro.

SECOND READING.

Bill No. 71, respecting The Sterling Life Assurance Company of Canada.—Mr. Macdonell.

THE BUDGET.

PROPOSED WAR TAXATION.

Mr. NEELY (resuming): Mr. Speaker, when you left the Chair at six o'clock, I was making some reference to the lament of the Finance Minister and his friends in this House and throughout the country, that the burdens resting so heavily on the shoulders of this Government in the matter of meeting the expenditures of the country are a legacy from the late Administration. I have pointed out that, so far as the building of the Hudson Bay railway was concerned, the right hon. the Prime Minister was equally responsible with the late Government for the inauguration of that scheme, and that, so far as the burden placed upon the country by the construction of the National Transcontinental railway was concerned, that proposition had been submitted to this country and the country had approved of it, whether the cost be small or great. It is quite true, we admit that the cost of the National Transcontinental railway was greater than originally expected. Nevertheless there is no condemnation to fall upon the late Administration if it can be demonstrated to the people of Canada that the money voted by this Parliament and by the people of this country for the construction of that road, actually went into its construction. I had pointed out that this Government, in its zeal to demonstrate that all the money voted for that purpose had not gone into the construction of the road, had spent some $100,000 in salary and expenses to two gentlemen, who spent over a year of their time looking into the various contracts let by the late Administration, from Moncton to the city of Winnipeg. What was the result of that investigation? It was heralded in the Tory newspapers throughout the length and breadth of Canada before being submitted to this House as one of the greatest scandals in Canadian history. We find that after that report was examined, dissected, taken to pieces and put together again by my hon. friend the member for South Renfrew (Mr. Graham), no responsible public man in this country and no reputable, responsible Tory newspaper, has given any consideration or more than a mere passing mention to the contents of that report which was to produce such an enormous scandal in Canadian history. Sir, the people of Canada are concerned to know how their money is spent, and they are concerned to know that large sums of money, which they voted for the building of the National Transcontinental railway, have been spent in the construction of the road. That that has been done, Sir, is absolutely proven by the report that was intended primarily to be a partisan, biased report, that was intended to prove exactly the opposite, a report which, in my judgment, is the most splendid vindication of the honesty and integrity of the late Government that we have had since that Government went out of office. If the National Transcontinental railway is not, and will not be in the future, the great national asset that we had hoped, the fault will not lie with the late Liberal Adminis-

tration. If that road is not the great national asset it was intended to be, it will be because that road has been deliberately degraded in its standard from what the original contract between this Government and the Grand Trunk Pacific Railway Company called for. The country knows these facts. The Minister of Finance may labour as long as he pleases, but he will fail to attach to the late Administration the responsibility for anything connected with the building of the National Transcontinental railway that would go to show that the undertaking was not for the benefit of the people of this country.

This country has given aid to another railway system, namely the Canadian Northern. I notice that the newspapers of hon. gentlemen opposite, particularly the Toronto News, have laboured hard to demonstrate that responsibility for the condition of the finances of the Canadian Northern railway system lies at the door of the late Administration. I want to deny that statement and that innuendo, absolutely believing as I do that there is not an atom of foundation in fact for the assertion. When the late Government was in office we know that they rendered some assistance to the Canadian Northern railway system in the matter of providing an outlet for their system of branch lines on the prairies down to eastern Canada. That connecting link was necessary to the success of that great system, because we know that the direction of exports from the prairies is eastward, and that of imports very largely from the East. This connecting link between the East and the West was necessary to the success of that transportation system in the prairie provinces. What is it that has crippled the Canadian Northern railway finances and put that system in the position that it is in to-day? I claim, as I claimed last year in this House, that the responsibility for its situation lies in the fact that the ambition of the two promoters of the railway led them to desire to extend their line through to the Pacific coast. The building of that part of the Canadian Northern Railway system a thousand miles through the Rocky mountains to the Pacific coast is responsible to-day for the fact that the railway is in such a desperate condition financially. Will the Minister of Finance tell the House and the country in what way the late Government are responsible for the construction of that unnecessary portion of the Canadian Northern railway? That portion of the system was inaugurated under the patronage of Sir Richard McBride, head of the government in the province of British Columbia. That government came to the assistance of Mackenzie and Mann when they had been refused assistance for that portion of their system by the late Administration at Ottawa. We find that the province of British Columbia is under a bond liability of some $45,000,000 for the construction of that thousand miles of road. They received a bond guarantee of $45,000,000 from the British Columbia Government. There was a first bond guarantee of $35,000 a mile, and then an added $10,000 a mile. But that was not sufficient, and it must have been a relief to the government of British Columbia when their political friends came into power at Ottawa, for it was during the very first session after this Government took office that we found the Canadian Northern railway coming to this Government and asking it to supplement the support given them by the government of the province of British Columbia. How did they do that, Sir?—by giving them a subsidy of $12,000 a mile, or a total of $12,000,000. Was that enough? I ask you to look at the blue-book presented to this House last session containing a statement of the railway company as to their requirements in regard to their request for an additional $45,000,000. It was found that, roughly speaking, $23,000,000 of the $45,000,000 bond guarantee was applied to the completion of the Canadian Northern system in British Columbia. That, and that alone, in my judgment is responsible for the burden that falls upon this Government who, by their own legislation, have become partners in this financially-crippled institution, the Canadian Northern railway. We are not at all sure that the troubles of this Government are ended so far as this system is concerned. We find to-day that, notwithstanding the provisions made by this Government for the completion of the Canadian Northern railway through British Columbia, the government that province have found it necessary to make an appeal to the people on the question of greater aid to railways, including the Canadian Northern Railway system. I have only this to say for the head of the government of the province of British Columbia, that as the Minister of Finance said the other day about the late Administration, his chickens are coming home to roost. We find that, so keen is the situation in British Columbia over the prodigality of the government in that

province in the promotion of railways, if newspaper reports can be credited, the Cabinet is almost torn asunder by internal dissensions on account of the aid that Sir Richard McBride wishes to give to this railway corporation. These are the burdens, these the legacies, left by the late Administration for the ready shoulders of the Minister of Finance! These are burdens which have not been placed upon his shoulders by the late Administration, but largely by his own political friends in British Columbia.

The people of western Canada will be very sorry indeed, at least the people of my province—I do not want to speak for those farther east or farther west—to see this Government give up the project of constructing the Hudson Bay railway. But I will say this, and I believe that in saying it I am speaking on behalf of a large majority of the people I represent, that dear as the project is to the hearts of our western people, if it comes to a question of accepting this tariff legislation, with its anti-British provision, or a question of the construction and completion of the Hudson Bay railway, the majority of the people of the West will say: Give us no Hudson Bay railway; we want the road and we want it badly, but we do not want an expenditure made upon it if it is to be made a pretext by this Government for this legislation that we know will not appeal to a very large portion of the people of western Canada.

This tax on British goods seemed to touch the Minister of Finance very keenly, and that it is a very tender subject with gentlemen on the other side of the House is evident by the fact that most of them in their speeches have carefully refrained from making any mention of it. The Minister of Finance in his Budget speech merely made the necessary announcement that he proposed to increase the duty on British goods by five per cent, and it was not until the amendment of my right hon. leader touched him on the raw that he gave the attention to this question which we believe he ought to give to it, and to such purpose that he should amend his resolution by eliminating it altogether.

Hon. gentlemen opposite have always prided themselves—I presume this line of argument will be considered tantamount to breaking party truces, but they have been broken already and I am not to blame—hon. gentlemen opposite have prided themselves on their loyalty to imperial connection. I am sorry the member for North Ontario (Mr. Sam Sharpe) is not in his seat to-night, because not so very long ago he gave an interview on foreign soil, in which he expressed the pious belief that it was a good thing for Britain that at the present time Canada was in the hands of the Imperial party. I wonder what my hon. friend from North Ontario thinks of this proposal of the Minister of Finance to tax British goods coming into Canada? The time is past when the people of Canada can be deceived by brazen or loud-voiced professions of loyalty to the British Crown; actions speak louder than words, and this Government's actions are now speaking so loudly that I am certain many of us cannot hear their words when they say they are the greatest patriots in the history of Canada. We have this statement by a member of this House given to a foreign interviewer—and he has not denied it—and I presume that this sentiment that they are the party of imperialism, finds its place in the breast of most hon .gentlemen opposite. When these gentlemen opposite came into office, the maintenance of the British connection was one of the planks in the platform that brought them in; but what do we find within the last few months? We find that as a result of war conditions for the last eight months of 1914, as compared with the same eight months of 1913, our imports from Great Britain diminished some $30,000,000, while during the same period our imports from the United States increased some $46,000,000. And this condition is met with the utmost equanimity by these hon. gentlemen, whose slogan in 1911 was: No truck or trade with the Yankees. If that condition has arisen in the first few months of this great struggle, what may be the condition during the balance of the term of this war, whether it be long or short, when added to the disabilities the British trade labours under at present, it will have to meet an additional five per cent taxation placed upon it by this Canadian Government.

Whether or not the Minister of Finance intended to invoke a partisan discussion by his reference to my right hon. leader as attempting by his amendment to square his conscience for something he had done in this House a couple of years ago, I may tell the Minister of Finance that when he made that reference if he did not want a partisan discussion, he was treading on mighty dangerous ground. If I were to answer I would say to the Minister of Finance, that if the policy of Sir Wilfrid

Laurier had been followed four years ago, and two years ago, we would not have had every seaport in Canada in a panic at the outbreak of war, and to-day we would not be depleting the British navy in the North Sea of cruisers to convoy our troops across the Atlantic. The Minister of Finance, referring to my right hon. leader, compared his hands to the hands of Lady Macbeth; but if this tariff legislation goes through, history will refer to the hands of the Minister of Finance as the Teuton hands that delivered the most ruthless blow against British trade that could be dealt in this crisis of British history.

The Minister of Finance wants to know what alternative proposals gentlemen on this side of the House have to make to his tariff. I give him one suggestion obtained from a source that should appeal to him: the legislation imposed by the German Reichstag to place a tax upon the output of war materials by the manufacturers of Germany. Other gentlemen on this side of the House have offered suggestions, but the Minister of Finance answers that they are totally inadequate and do not fill the bill. I presume then that all the people of Canada have to hope for is that if the Budget proposals of the Minister of Finance do not fill the bill, we may expect a further dose of this same treatment when this Parliament meets again. What is the situation? $100,000,000 required for war expenses, $180,000,000 or thereabouts required for capital and current expenditure, of which only $120,000,000 is available from our present sources of income, leaving a balance against us of $60,000,000. The Minister of Finance says: We must provide, and we propose to provide by an increase in the tariff, this $60,000,000. A very worthy member on the Government side of the House gave this Government a slogan when it first came into office. That slogan was: "Dash away and spend the money." This Government has carried out that policy so well, it is going so fast down the toboggan slide in this matter of reckless and extravagant expenditure, that it does not wish to have the sensation of coming to a sudden halt on account of the unusual situation brought about by this great European struggle. When we on this side of the House offer suggestions along the line of retrenchment, of curtailment, the Government waves us aside with an airy wave of the hand, as if retrenchment were quite out of the question under the present regime in Canada. I doubt if there are very many hon. members who, since this war broke out, and indeed during the last year or two, have not had to adopt a policy of retrenchment as regards their personal expenditure. If that policy is good for the individual, I fail to see why it should not be good for Canada as a nation. Has it ever entered the mind of my hon. friend the Minister of Finance that he might have increased the revenue by a sweeping reduction of the tariff instead of by increasing the tariff in many instances. That suggestion, of course, is falling upon deaf ears. My hon. friend the Minister of Finance cannot listen to or hear any argument that is not along the lines of the proposals contained in his Budget statement. The people of Canada are not averse to paying their share of Canada's expenditure in this great struggle that means the freedom of every civilized nation in the world; but, if I am not mistaken, they will object very strongly to the tariff proposals of the Government by which, for one dollar that goes into the Dominion treasury four or five dollars will go into the pockets of the protected interests of this country. I would have been very glad had it been possible that this session of Parliament would have passed like the session of August last, in absolute unanimity so far as any partisan discussion is concerned; but if there is any blame for the division that has taken place on the proposals of the Minister of Finance, that blame must be placed where it rightly belongs, namely, at the door of the Government. The Opposition have been given absolutely no voice in the making of the proposals for increasing the revenue. As a member of the Opposition I feel that I would be derelict in my duty were I not to oppose as strenuously as possible the method by which the Minister of Finance proposes to increase the revenues of this country.

Before I conclude, I want to say a personal word with reference to the constituency that I have the honour to represent. As some hon. members know, I represent a constituency that has perhaps as cosmopolitan a population as is to be found in any part of Canada. Of that population some hundreds of families are of German birth or German extraction. There is an idea in the minds of some of our good people in other parts of Canada that, in those German and Austrian communities in the West, there

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must at this time be a considerable amount of disaffection. Speaking on behalf of this portion of the population in my constituency, I want to say that, since the outbreak of this war, a war which has indeed touched the feelings and rent the heartstrings of many of our people, whether of English or of German birth, in every possible way, from the moment of the outbreak of the war, they have conducted themselves as true and loyal citizens of this great Dominion of Canada. I cannot speak too highly or too generously of their thrift, their integrity, their high class of citizenship. If under the circumstances they have not sent their sons to the front—and they cannot be expected to do so—no class of our population has responded more liberally to the call for assistance for the families of those who have gone to the front than has the German population throughout the various districts of the West. While it is not to be expected that this class of our population should hold the tie of British connection as strongly as do those who are Canadian or British-born, yet I believe that every one of these citizens would shoulder arms to-morrow if any foreign foe were to attack the coasts of Canada. That is as far as we can expect their loyalty and patriotism to go in this, the first era of their residence in this country.

I have spoken somewhat longer than at the outset I proposed to do; but, in conclusion, I want to say that, in voting, as I propose to do, for the amendment of my right hon. leader, I believe that I am voting not only in the best interests of the great mass of the people of Canada, but for the shortening of that terrible struggle that is costing Canada and the Empire and the Allied Nations so much of their best blood and so much of their wealth. I am voting for this amendment, because I believe that the proposals of the Government are a direct blow at the financial strength of Britain at a time when every fibre of her energy is necessary to prosecute the greatest struggle that the world has ever seen, and, we hope, will ever see—a struggle which in our hope and judgment can have but one result, namely, the vindication of the principles of democracy the world over.

Mr. EUGENE PAQUET (L'Islet) (Translation): Mr. Speaker, I heartily congratulate my hon. friend, the member for Humboldt (Mr. Neely) on the brilliant address he has just given. I shall endeavour to answer his arguments by examining the important question of the budget.

The salient fact of the fiscal year of 1912-13 is the unprecedented business expansion in Canada.

During the fiscal year of 1910-11 our trade amounted to $769,482,000.

During the year 1912-13, for the first time in our history, our trade reached the handsome figure of $1,085,000,000. In every case, the statistics revealed the steady advance of agriculture, industry and commerce; but with the closing months of 1913 Canada and the other civilized countries witnessed the opening of a trying period for industry and trade.

In July 1914, according to the hon. Minister of Finance, a marked change for the better was felt. The most powerful nations suddenly began to make war on one another, with all the murderous resources furnished them by modern science and skill.

As the hon. the leader of the Opposition has remarked: "This war is a conflict between liberty and despotism." Servia, Russia, France, Belgium and our Mother Country are fighting for the cause of right and justice. Without being constrained to do so and instantly, in an outburst of patriotic solidarity, Canada proffered her food products, her gold, her brave soldiers, who to-day are shedding their blood for the cause of civilization and mankind.

While the Germans have been guilty of atrocities, have committed cruelties never heard of before in the history of civilized nations, ever since the war broke out; while this mighty nation tramples under foot the most solemn treaties, the soldiers of Canada are fighting for the fundamental principles of civilization.

As the hon. member for Laprairie says: "We are only a self-governing colony, and, unlike other nations, we are not forced to fight for the preservation of our sovereignty."

As a young nation acting our part in the Empire, we champion the cause of liberty and of Gallic culture.

The French of Canada are fighting the destroyers of temples, the murderers of the aged, of unarmed and defenceless priests; the foe who violate and mutilate helpless innocence.

German militarism has brought on this frightful war, a war so horrible that it staggers mankind. We must destroy this plague.

As the Archbishop of Montreal has said: "It is the duty of every one of us to give England our loyal and generous support."

Our people will not fail to do so. The

voice of religion, as well as love of country, urges it. The French Canadians have responded loyally to the call of the flag, realizing their great duty—to guard our dearly-won liberties.

Permit me here to quote the words of the President of the Montreal Board of Trade:

> While applauding our soldiers who sacrifice their lives on the battlefields, let us remember that those who stay at home must maintain our economic life, above all must stimulate production in order to more completely satisfy the needs of the war, and to recuperate the more rapidly after the losses and sacrifices which the war will entail.

Throughout the whole world the European war has created an almost unprecedented money crisis. As one of our financiers has remarked, it is fortunate for Canada that the sound financial methods of our bank directors and the able intervention of the hon. Minister of Finance have safeguarded our best interests.

Our financial institutions, thanks to able, prudent and enlightened management, have escaped economic disaster. While acknowledging the wisdom of our business men, we must also give the Government a fair share of the credit for contributing to this happy result by its prudent administration.

I have been vividly impressed by the admirable "made in Canada" campaign. During the fiscal year of 1912-13, our imports amounted to $675,000,000. We have, therefore, in a single year, sent $675,000,000 to foreign producers. This gives us an idea of the importance of our domestic and interprovincial market. Let us be vigilant in order to benefit still more by this market. It is the blood circulating continually from one member of the country to the other, finding its way to all parts of the body and giving it vitality and growth.

The orders for military supplies have greatly aided in maintaining our industrial concerns, although many of our manufacturers have been seriously affected by current events.

Let us therefore respond to the noble appeal "Patriotism and Production" by buying goods made in Canada by Canadian workmen.

That expert economist, Mr. Errol Bouchette, has been among us an apostle of the industrial idea. He would inscribe on our banners, he would imprint on our hearts these patriotically inspired words: "Let us capture the industrial world." Thanks to the development of this idea and to the application of the national policy, numerous manufacturing establishments have sprung up, our natural ressources have been developed and the labouring classes have found plenty of employment, regular work and good wages.

Thanks to national protection, the manufacture of harvesting, binding and mowing machines has reached a marvelous state of perfection. Consequently the Government was enabled, during the last session, to reduce by five per cent the customs duty on binding, harvesting and mowing machines. Thanks also to the national policy of protection, our exports of agricultural products have increased by $50,000,000 during the last fiscal year.

Notwithstanding the customs duties, we import 31,000,000 pounds of meat.

What would happen should these duties be taken off?

The free entry of foodstuffs would affect adversely some 6,285 manufactories which now employ 52,000 hands.

In their efforts to uproot the tree of national protection of industries, members the Opposition are displaying some ingenuity.

Planted in the soil of Canada by Sir John A. Macdonald, the tree of protection—protection to the farmer and to the manufacturer—will weather all storms, all attacks of the Liberal party.

The honourable member for Laprairie and Napierville has severely criticized the administration of the Public Works Department.

To this I answer: Sawdust wharves and rake-offs on dredging contracts are things of the past. Their day has gone.

In 1908, when the Minister of Marine paid $50 a day to foreigners to audit the accounts of the Department of Marine, the hon. member had not a single word of censure for his friends.

Mr. PROULX (Translation): What salary does Mr. Bergeron receive?

Mr. PAQUET (Translation): I do not say that the hon. member for Laprairie-Napierville has wilfully misled the House in saying that my friend Mr. Bergeron received a salary of $30 a day, when he is paid only $20.

Mr. PROULX (Translation): But he draws $10 more for living expenses.

Mr. PAQUET (Translation): Mr. Bergeron is paid only $20 a day salary, the $10 are for expenses.

Mr. PROULX (Translation): Then he receives $30 a day.

Mr. PAQUET (Translation): If you read the Auditor General's report, you will see that Mr. Bergeron is paid $20 a day salary. besides board and lodging, and if the hon. member can prove the contrary I am willing to forfeit my seat.

Mr. PROULX (Translation): The Auditor General's report shows that Mr. Bergeron receives $30 a day.

Mr. PAQUET (Translation): Mr. Bergeron is paid only $20 a day and his expenses, and I defy the hon. member to contradict me when I say there is no person anywhere acting as counsel for the Government in the criminal courts who receives less than $20 a day.

Mr. PROULX (Translation): They are not paid $10 extra for living expenses.

Mr. PAQUET (Translation): As Canadians and British subjects, we have to discuss questions so much more important, questions which concern the future of the country, that we cannot spend any more time on these penny-wise-pound-foolish criticisms. I simply quote the report of the Auditor General H—48 1913-14: Salary of Mr. Bergeron at the rate of $20 a day.

Mr. PROULX (Translation): Give the amount in full. You say nothing about the $10 a day expenses.

Mr. PAQUET (Translation): The hon. gentleman will be entirely free to say anything he pleases when I am through.

Some months before the fall of the Liberal Administration, when the country was suffering from irregularities, misappropriation of public funds, had the hon. member the courage to denounce these abuses? Never. When the books were falsified, when documents were destroyed, the country's resources given away, had the hon. member the courage to utter a cry of warning? Never.

The hon. member and his friends have only words of censure for those who wanted to learn the truth in the investigation of the most serious charges.

The hon. Minister of Inland Revenue, who wisely denounced such misdeeds, was held up to ridicule, and even threatened with the loss of his portfolio.

My hon. friend from Laprairie has even approved of the throwing-away of 40 millions in the construction of the Transcontinental.

The country, to its honour, realizes its duty to repair the losses caused by this wrongdoing.

Our opponents taunt us with appropriating excessive amounts for public works. A French economist says it is the duty of a government, during a crisis such as this, to disburse among the people, in useful enterprises, as much money as possible, thus enabling workingmen to support their families. The Government is doing its duty in appropriating money for necessary public works, and withal conducting the business of the country with as much caution and system as is shown by our business men in the management of their private affairs. We have no wish to make hard times worse and compel the workman to beg for his bread.

The Federal Government very properly asks the House to vote considerable amounts to assure to Quebec a future worthy of a national seaport.

The construction of a double track between Lévis and Chaudière, the building of the Quebec bridge; of the workshops of Saint-Malo; of a dry-dock; of a grain elevator; and the works of the Harbour Commission, will be of immense benefit to the country at large.

I cannot thank the Government too much for its strenuous efforts to fully equip our seaports, and particularly the port of Quebec in order to control the western traffic.

The task of creating a New Quebec is accomplished, and the city of Champlain owes to the Conservative government the realization of its dreams and its definite launching on the highway of progress.

A transportation system is necessary for the development of agriculture, of commerce, and of industries. I therefore thank the Government for the opening to traffic of the Transcontinental from Lewis to Moncton. The people of the southeast part of the province of Quebec fully appreciate this important improvement.

According to some politicians, the Government is imposing unjust and misleading taxes, notwithstanding that Hon. Mr. Fielding, Minister of Finance under the Liberal Government, declares that the present Finance Minister seems to have found the best possible solution of a delicate problem.

In 1911, the Conservative party fell heir to most onerous obligations. The hon. Minister of Finance has shown that the Liberal Government would have ruined the country in the space of a generation had it remained in power.

We have been forced to expend enormous amounts to continue the undertakings begun

under the Liberal regime. The Hon. Minister of Finance has inherited an estate of doubtful value, and is now forced to increase the duties in order to procure sufficient revenue to meet the requirements of the war. Notwithstanding their cleverness, our opponents will never succeed in making the people believe that the new imposts are not war taxes. This war tax is due to the decline in revenue, and this decline is due to the business stagnation caused by the war. The financial muddle created by the old regime was also a contributory factor making a war tax necessary.

The financial crisis of 1913-14, experienced in every civilized country; the burdensome obligations bequeathed us by the Opposition, and the war—these have made necessary the new taxes. The Liberals declare their readiness to vote any money needed to prosecute the war, while doing everything in their power to deprive the Government of the sole means at its disposition to procure the necessary funds. Our opponents are aware that the Congress of the United States, a neutral country, has voted 100 millions towards equalizing receipts and expenditure. All civilized countries have enacted special laws to meet the requirements of the situation.

Not only will the increase in the duties be productive of larger revenue, it will stimulate our industries, and ensure employment to our artisans. Thus shall we be in a better position to stamp out militarism.

The Liberals make the unfair statement that the war taxes will bear heavily on the poor, while affecting the rich but little. A close estimate shows that the Bank of Montreal will pay annually $150,000, the Bank of Commerce $135,000, the Imperial Bank $60,000. These figures prove that the greater portion of the new taxes will fall on the shoulders of those of our citizens who are best able to pay them. The Government finds it necessary to impose new taxes to finance our participation with the Allies in the war, a war brought on by the spirit of militarism as opposed to civilization.

Exemptions from tariff increase comprise wheat, flour, mowing machines, rakes, spades and reapers.

It is gratefully realized that our farmers are ready to make sacrifices for the sacred cause, in aid of our soldiers, of the soldiers of the Empire, and of France and Belgium.

The Conservative Government, in view of the depopulation of the rural districts, the scarcity of labour and the high cost of living, has devoted its best efforts to agriculture in order to bring that industry up to the high standard befitting it in our country. Some years ago the Government granted a bare million to agriculture. The present Administration, realizing the people's needs, expends $4,280,000 for the development of agriculture.

The party now in power has voted ten millions to encourage the teaching of agriculture in the Dominion. In view of the present crisis the Federal Government is concentrating its best efforts stimulating the productive capacity of the soil. Producing larger crops, our farmers will control the home market and be in a position to increase their imports, while aiding the cause of the Mother Country and her noble Allies.

I am inexpressibly grateful to the hon. Minister of Agriculture for appropriating ten millions for the promotion of agricultural education among our farmers, and thus stimulating production to the benefit of the whole Canadian people.

While our troops on the firing-line are winning honour for Canada, we should unite to develop our natural resources, increase our production, seek new markets for our products, and endeavour to capture those markets lost by the enemy, and thus ensure Canada's prosperity. I am proud to serve my country under the enlightened and far-seeing leadership of the hon. Prime Minister.

The uprightness of the premier, his unquestioned good qualities of heart and mind, his wide knowledge, his respect for our religion, his fair treatment of our race and of our language have deeply impressed the country. Men of my own race, pent up in the narrow prison of political passion, have slandered this friend of French Canadians with a view to lessen his prestige in the interest of the Liberal cause. I have studied the career of this distinguished man, in whose person we may hail the defender of equal rights, the friend of religious toleration and the enemy of exploiters of our race and our religion. I rely on the sense of justice actuating the Rt. Hon. the Prime Minister of Canada. To-day English-speaking and French-speaking Canadians join forces in order to ensure victory to our Mother Country as well as to our ancient motherland. The premier, employing every means at his disposal, will, I am satisfied, succeed in uniting all Canadians and removing any friction that may exist regarding languages worthy of being spoken and

taught throughout the length and breadth of Canada.

Mr. D. D. McKENZIE (North Cape Breton): While I was listening to the very eloquent address of the hon. member for L'Islet (Mr. Paquet) thoughts were running through my mind of the different nationalities within the bounds of this magnificent Empire to which we belong. My hon. friend, in addressing the House, used the flowing sentences of his native tongue as a descendant of those whose home was on the beautiful plains and sunny hillsides of France. I who follow him am a descendant of those whose homes were in the rocky hills and glens of Scotland. I find that my hon. friend as a descendant of those who dwell in a foreign country is free to arise in this great court of the people representing a part of our splendid Empire and to address us in the tongue of his own people. It would appear to be a hardship that I, whose ancestors of a thousand years lived upon the Island of Great Britain itself am to speak to you in what was to my forefathers, and is to me, a foreign tongue. My native language is that of Wallace and of Bruce; I am a Gaelic-speaking man. However, I do not make any complaint, but I speak of this matter only as one characteristic of the magnificent Empire in which we live and a proof of the liberties we enjoy. With such use as I am able to make of this foreign language in which I am obliged to speak here, I shall endeavour to make a few observations on the subject before the Chair.

I was not able to follow the hon. member for L'Islet very closely, as I did not understand his arguments so clearly as he does himself, and therefore I cannot deal with his arguments in detail. I fully agree with him in what he says with respect to the policy of the Canadian people in the present war. I fully agree with him also in his denunciation of the German atrocities. I am not so sure that I agree with him in his praises of the financial policy of this Government, nor in his argument that the Royal commissions issued by this Government were fully justified and the money they cost well spent. That is what he said if I followed his argument correctly. Let me remind the hon. member—and I am sure he understands my words very well—that when he is dealing with these charges about Royal Commissions he knows, perhaps, but little about the extravagances attendant upon them. This afternoon I pointed out some extravagances in connection with one commission. I showed that it cost about $128 to pay for one afternoon's service of one gentleman when at most the charge should have been $21 or $22. I was told by no less an authority than the Minister of Customs that I should not make any such charge, because this gentleman was also engaged in serving subpoenas. Serving subpoenas, forsooth! What is the duty of serving subpoenas, and what is usually paid to those who serve them? In the part of the country from which I come, and where these subpoenas were served, there are constables whose duty it is to serve them. These constables receive the enormous sum of five cents a mile as mileage and 20 cents for each subpoena they serve. In this case, in which the minister tells us with a flourish of trumpets that subpoenas were served by this commissioner who received about $20 a day, three witnesses were served. Had these subpoenas been served by the constable, he would have received sixty cents for serving the three with a mile for each, say three miles, so that the serving of the three subpoenas would have cost seventy-five cents. And we have a minister of the Crown standing up in this House, and with feigned indignation, striking his desk and saying that I should not find fault with an expenditure of about $108 more than there ought to be because, forsooth, the commissioner must serve subpoenas. And the hon. member for L'Islet is defending conduct of that kind. He says that this is all right; that under this Government we must abandon the machinery for serving papers that exists in the municipalities and must pay a man $15 a day and also pay him for six dinners, six horse-hires, six times whatever his itemized bill may be.

Mr. PAQUET: I did not say that.

Mr. McKENZIE: I assure my hon. friend that that is what I understood him to say. However, he understands his words better than I do, and I will not cross swords with him on that subject. I will turn aside from his speech, simply congratulate him on the excellent manner in which he presented his views, and go on to say what I had laid out for myself.

Mr. Speaker, let me first direct your attention and that of the House to the attitude we on this side take towards the question that is uppermost in the mind of every man in this country at the present hour. I myself am getting to that stage

where I am no longer a young man; most of us in the House are moving up to the meridian of life. We never before had the experience of having our country at war. This is the first time during my life-time when we have had serious difficulties of this kind. And, approaching the question as at present in this House, I think that before I say anything else, it is only fair that I should express my own opinion and the opinions of those of the people I have the honour to represent here, that there is nothing too dear, nothing too big, nothing too difficult for us as a Canadian people to do in support of ourselves and the Empire to which we belong. I wish to put our position as a Canadian people before this House and before the country by quoting a few of the early steps taken by Canada and the British Government at the time the war broke out. These stages are well known to hon. members of the House and to people who are in touch with the literature that comes to us from the Government day by day. But the ordinary man in the country, possibly, has not a clear conception of what was done at that time. I would just like to read a few of these cablegrams to show that the Governor General and the King were perfectly justified in the opinion they had of the Canadian people; and I believe that our conduct throughout will corroborate the view held, and that they have made no mistake in their conception of the temper of the Canadian people in this war. The first is a cablegram from His Excellency the Governor General to the Secretary of State for the Colonies:

In view of the impending danger of war involving the Empire my advisers are anxiously considering the most effective means of rendering every possible aid and they will welcome any suggestions and advice which imperial, naval and military authorities may deem it expedient to offer. They are confident that a considerable force would be available for service abroad. A question has been mooted respecting the status of any Canadian force serving abroad, as under section sixty-nine of Canadian Militia Act the active militia can only be placed on service beyond Canada for the defence thereof. It has been suggested that regiments might enlist as imperial troops for stated period, Canadian Government undertaking to make all necessary financial provision for their equipment, pay and maintenance. This proposal has not yet been maturely considered here and my advisers would be glad to have views of Imperial Government thereon.

Arthur.

This is signed by His Royal Highness the Governor General of Canada. On August 1, 1914, the Governor General cabled to the Secretary of State for the Colonies, as follows:

My advisors, while expressing their most earnest hope that a peaceful solution of existing international difficulties may be achieved and their strong desire to co-operate in every possible way for that purpose, wish me to convey to His Majesty's Government the firm assurance that if unhappily, war should ensue, the Canadian people will be united in a common resolve to put forth every effort and to make every sacrifice necessary to ensure the integrity and to maintain the honour of the Empire.

On August 2, 1914, the Secretary of State for the Colonies cabled to the Governor General of Canada as follows:

With reference to your telegram of the 1st August, His Majesty's Government gratefully welcome the assurance of your government that in the present crisis they may rely on the wholehearted co-operation of the people of Canada.

On August 4, 1914, His Majesty the King, through the Secretary of State for the Colonies, cabled as follows to the Governor General of Canada:

Please communicate to your ministers the following message and publish: I desire to express to my people of the overseas dominions with what appreciation and pride I have received the messages from their respective governments during the last few days. These spontaneous assurances of their fullest support recall to me the generous self-sacrificing help given by them in the past to the Mother Country. I shall be strengthened in the discharge of the great responsibilities which rest upon me by the confident belief that in this time of trial my empire will stand united, calm, resolute, trusting in God.

This is signed by His Majesty the King. On August 4, 1914, His Royal Highness the Governor General of Canada cabled to the Secretary of State as follows:

In the name of the Dominion of Canada I humbly thank Your Majesty for your gracious message of approval. Canada stands united from the Pacific to the Atlantic in her determination to uphold the honour and traditions of the Empire.

Thus it is shown clearly and conclusively that His Majesty the King, His Royal Highness the Governor General of Canada were not mistaken in their conception of the attitude of the Canadian people.

I wish to avoid making reference to the taunts of disloyalty that have been thrown across the floor of this House They are unworthy of this Parliament; they are unworthy of the Canadian people. If hon. gentlemen opposite are as strong as they profess to be, and have that confidence in their record which they profess to have, surely, in looking for an excuse to appeal to the people, they can adopt a method more manly and more likely to appeal to the higher motives of the people than that of

carrying chips on their shoulders and raising a hue-and-cry about something which is not really in issue. I submit that when we have furnished all the money and all the men necessary to do our part in securing the triumph of British arms, we shall have done all that can be expected of us. Perhaps I should not say "expected of us," as that would imply that we are a sort of side-issue and that our responsibilities in this matter are merely secondary. We are an important part of one great Empire. As such, we are expected to do our duty by our own country as well as by the great Empire of which we form a part; therefore, there lays upon us in greater measure the responsibility of carrying out all the purposes which we had in view when we took steps to do our part in bringing this conflict to a successful issue.

10 p.m.

We shall come out of this war with a more united Empire than we ever had before; with the different dominions and nations of which it is composed more consolidated and more in sympathy each with the other than ever they were before; with the bonds uniting Canada with the Mother Country stronger and firmer than ever they were before. If any evidence is required to prove that Canada is faithful to her trust in this regard, it may be given in the words of Marshall Ney, who, when he was blamed by Napoleon for unfaithfulness in some of his later battles, said: "We have been faithful; the bones of Frenchmen, scattered from the sands of Egypt to the snows of Russia, prove our fidelity." So we say: We are faithful to the Crown; the bones of Canadians scattered from South Africa to the snows of Russia prove the fidelity of our people.

It was pointed out by the hon. member for Red Deer (Mr. Michael Clark) the other evening that there is a clear distinction between the policy of the Government and the manner in which it is proposed to be carried out. We are at one with the Government as to the policy of giving every possible support to the Mother Country, but we reserve the right to criticise the manner in which that policy is proposed to be carried out. For precedents in parliamentary matters I presume we are safe in looking to the Mother Country. There is no question as to the desire of both parties in the Imperial House of Commons to do all that can be done to bring the war to a successful conclusion. The following extract from a Canadian newspaper deals with the attitude of the Opposition in the British House of Commons so far as their reception of the Government's policy is concerned:

> There seems to be a disposition on the part of the Government at Ottawa, and more particularly its newspaper supporters, to resent any criticism of the policy or administration of the Government, and to regard it as a violation of the truce. This is an unreasonable attitude to assume.
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> In England although there has been the heartiest and closest co-operation between the parties, the Government does not regard its acts as sacrosanct. In his speech at the opening of Parliament, Mr. Bonar Law, leader of the Opposition, asserted his right to criticise the acts and policy of the Government, and Mr. Asquith promptly acknowledged the right of the Opposition to do so. He said, that "faced as we have been, and faced as we are, with all the responsibilities and cares which are almost unexampled in their complexity, and in their magnitude, we welcome the fullest criticism and we know that we shall receive the co-operation of the House of Commons." That is the only true attitude to take.

That, as I understand it, is the position we are taking in this House. The position of the Opposition here is the same as the position of the Opposition in the Mother Country, and I am sure that the hon. Premier and every other member of the Government and all of their supporters must, if they want to be fair to us on this side of the House, understand our criticism in that way.

Having cleared the ground so far as the position of those I represent and my own position is concerned, I leave myself absolutely free to consider the methods by which the present Minister of Finance expects to gather in the money that is necessary for carrying on the operations of this country in connection with the war. I think the hon. minister has contended that this financial burden is not to be very onerous, that it is not to be felt very much by the people of the country. I wish to quote to him the opinions of some financial papers in England, which he will recognize as authorities:

> British financial papers are quoted in recent cables as expressing approval of the stamp tax feature of the new Canadian Budget. That is quite natural, for the stamp taxes are a permanent revenue-getting feature in the Old Country. The financial critics, however, are not so complimentary with reference to the increase in the tariff. For instance, the London Economist, which Sir Robert Borden once certified was "the greatest financial journal in the world," says:
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> "We are strongly of the opinion that this addition to the cost of living in a new country where prices are already very high will cause much hardship and discontent. Many of these taxes are protective, so that the revenue

secured will be much less than the burden imposed upon consumers. But in Canada manufacturing interests are powerful enough to extract advantage even from the embarrassments and difficulties of the nation."

Along the same line the "Investors" Review says: "We think it a pity the people of Canada should be further handicapped by indirect taxation, which is more profitable probably to the trader and manufacturer within the Dominion than to the treasury. Discontent with the tariff is deep enough in the West already. A better way of raising revenue might surely have been found by men of courage."

I take it that these two financial papers are at least as strong as any other financial authorities of this character in the old land; and most of them have expressed themselves as being against the method taken by the Minister of Finance for raising the necessary money. I have been to-day reading the first speech delivered by the Minister of Finance in this House as a minister. In that speech he said that the credit of the country should be maintained at the highest possible mark, so that if the day ever came when we wanted money or when the revenue fell below what would be expected, we should be in a position to borrow the money and not have to impose heavier taxes on the people. That is the way I understand the speech made by the hon. gentleman on that occasion; but I regret to find that he has departed very strikingly from that position. Referring to the speech that he delivered the other day, I must say for the minister that in its construction, in its language and style, it is a fine piece of machinery, so to speak. The language is excellent; it is concise and well constructed. I must further give credit to the minister for breaking the news of the disastrous condition of the country as well as any man could possibly do it. There is a story of breaking the news. When Mr. O'Flaherty was sent to break the news to Mrs. Murphy that her husband had been killed, he was to do it in the gentlest way possible, so he went up to the door and said: Is the widow Murphy here? She said: What are you talking about? The widow Murphy is not here, but Mrs. Murphy is here. You're a liar; your husband was killed a moment ago! That was the gentle way in which Mr. O'Flaherty broke the news. I must say to my hon. friend that he broke the news very much better, although the situation was not much of an improvement on that of Mrs. Murphy.

I wish to point out some features of the situation that the minister had to present to us. He had to inform us that the revenue had fallen off very badly indeed and that the expenditure had gone up by leaps and bounds. But a little later on, on another day, he got very warm, or at least feigned to be very wrathy because he had been told that a beautiful heritage had been handed over to him when he took charge of the affairs of this country. I wish to reassert, notwithstanding any demur on the part of my hon. friend, that we did hand over to him a magnificent legacy, and a ship of state in a first-rate condition, fully equipped and ready for sea; and if any trouble did occur it was on account of the captain and crew that were put aboard when we vacated the ship on the 6th of October, 1911. It may be difficult to understand, but there must be some way of making hon. gentleman understand it, that in 1896 and for many years before that, when the previous Conservative Government had charge of the affairs of this country, things were exactly as they are to-day. Finances were down at the lowest ebb; unemployment, poverty and discontent were rampant throughout the length and breadth of this country.

That was the condition of affairs when our friends took charge in 1896. It is quite unnecessary for me to relate what happened during the sixteen years of the Administration of my right hon. leader. I could not, if I tried, put the position in nearly as good shape as it was put by the present Minister of Finance, upon making his first speech in this House on the 13th March, 1912, when he was fresh from the country, new to his position, without any prejudices one way or the other, and when he was only presenting to the House a fair statement of the standing of the country, financially and otherwise, as he found it at that time. The duty of an hon. gentleman taking charge of the business of the country, or the duty of a man taking charge of any business, is to take stock of the situation of the business, strike a balance, and see how the matter stands. Between the 6th October and the 13th March the hon. gentleman had plenty of time to look into the financial condition of the country. I have no doubt he looked into it, and, therefore, when he came down to this House on the 13th March, 1912, he was in a fair position to tell us how matters stood.

Let me digress for a moment to say that hon. gentlemen who are now supporting the Government, and who were then members of the Opposition, had been telling us from time to time that we had no surplus, that our finances were not in a healthy condition, and that when they came into power

they would show that we were only throwing dust in the eyes of the people by saying that we had a surplus when such was not really the case, and that proper bookkeeping would show where the country stood. After five months of investigation and preparation by so capable a financier as the Minister of Finance, he came down to this House and presented his Budget. Let me call his attention, and the attention of the country, to the testimony which he gave us in respect to the legacy which had been handed over to him. Coming from him, or coming from any hon. gentleman on that side of the House, I am sure it cannot but have weight with the people. I was sorry to hear him the other day denouncing this legacy and saying that there was nothing in it, that it was a burden to him, and that even upon his gigantic shoulders he could not bear it. Even he, who seems to care nothing for any assistance from anybody else, who cares for nobody on that side of the House but himself, comes now to the conclusion that this heritage was not at all so brilliant, so glowing and so attractive as it at first appeared to him. That is what happens to every man to whom a fortune is given by his parents or some other benefactor; it is not nearly so attractive after it is spent, after it is all gone. Let me give the House the judgment which my hon. friend passed upon the condition of the country the first time he had the opportunity of addressing the House. It will be found in the conclusion of the Budget speech delivered by him to this House on March 13, 1912. He said:

> It will, as I have said before, be gratifying to all that the material prosperity with which we have been so highly favoured still continues to be our portion. Despite the serious vicissitudes through which the western wheat crop has passed and the unusual heat experienced in the province of Ontario during the past summer, the field crops of Canada show a bountiful yield and with the high prices prevailing for practically all its products the great basic industry of agriculture continues in a flourishing condition. Almost every department of trade and commerce shows expansion. Our mines are wonderfully productive. Our coast fisheries, notably the Atlantic, have enjoyed a good catch and high prices. Our manufacturers are thriving and new industries are springing up throughout the whole Dominion. Railway construction, especially in the West, proceeds apace, preparing a way for settlements in districts not yet opened up and for trade with other markets than we now enjoy. Our increased bank deposits, clearings and circulation, the amount of public and private building evidenced in municipal and business structures, extensions to manufacturing plants and residences in almost every part of the country, all attest that the general prosperity of Canada at the present time is very great.
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> Our Dominion continues to be the land of hope and promise to the home seeker. During the last year, as before shown, our immigration from Europe and the United States reached an average of nearly a thousand a day, bringing their capital, their intelligence and their energy to assist in the great task of developing the resources of Canada and building up her nationality. Much has been said in the past with which I am in accord as to the selection of immigration as far as possible with an eye to the quality and character of our future citizenship. Notwithstanding the large stream of immigration, labour conditions are good and extreme poverty, from any reason other than incapacity or direct misfortune, is hardly known.
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> Under the favourable conditions which I have described, and with every prospect for their continuance, the future of Canada looks bright indeed. In the enjoyment of peace, plenty and prosperity her energetic, loyal and patriotic people look forward with hope and expectation to an ever great and greater future.

That, Sir, is a description, a beautiful and most glowing description, and certainly a true description, of the conditions in which our friends on the other side found this country on the 6th day of October, 1911. It is sad to relate that it did not take long to produce a condition that makes a very different picture. We have often seen in the yellow-covered almanac a picture illustrating the effect of Kendall's Spavin Cure, showing a horse before using and after using. The dilapidated condition of the horse in the picture before using never was half so bad as the picture of Canada after using the Tory Government for a short time. It has already been observed that we are plunging headlong into expenditures when we have no money to meet them. But, before going into that, there is something else which I learn from the speech of the Minister of Finance, and I am sure we have all to learn from him in matters of finance. Speaking in all sincerity for myself, I am sure that I can put him up as my Gamaliel for many years to come.

He told us when replying to the leader of the Opposition that our railway policy was of the most foolish and abominable kind, and that no people other than fools—he did not use that language—could propose such a policy, because it was ruinous to this country. When the Minister of Finance took charge of the affairs of this country and struck his balance sheet, and investigated the conditions to see how matters stood, it was then, if he had any criticism to make on the great question of railway

construction, that he should have made it. That was the time to make the criticism and to tell the people there was something wrong, and had he done that he would be able to say now that he had informed the people at the very start of his career as Finance Minister that it would work out badly. It is rather sad to see men on the other side of the House, particularly a distinguished legislator and parliamentarian like the Minister of Finance, tilting at tombstones. It was bad enough to tilt at windmills, but when you go back 10 or 15 years to tilt at tombstones it is very much worse. This question as to whether the Transcontinental railway should or should not have been built is an old question. It is a question which the people of this country have passed judgment upon two or three times, and to resurrect it now is like threshing old straw. The Transcontinental railway was a live issue when first I had the honour to run for this House in 1904, and the people of Canada then gave overwhelming approval to the policy of Sir Wilfrid Laurier and his Government in that respect. The road was started and advanced a long way towards completion before the next election in 1908, and while it was somewhat of an issue then, there is no question but that the decision was again overwhelmingly in favour of the Government of Sir Wilfrid Laurier, who were primarily responsible for building the road. In the election of 1911 it was not an issue at all; the Conservative party having reached the conclusion that it was absolutely all right, and nobody from the Atlantic to the Pacific had a word to say against building the Transcontinental railway. It was then the fixed policy of the country accepted and endorsed by the people. That being the case, what is the good of the Minister of Finance or anybody else coming here and tilting at tombstones and telling us that this thing never should have been. I would direct the attention of the Minister of Finance to his first Budget speech in 1912 when he was dealing with the finances of the country, and speaking about the Transcontinental railway he said:

> Now I come to another matter in which I bespeak the attention of the House as it deals with the Transcontinental railway, or at least the eastern division of that line, and I have thought it well when dealing with the liabilities of the Dominion and our future maturities, to advert briefly to this portion of the Transcontinental which is our chief national undertaking at the present time. The heavy cost of the eastern section of that railway, so greatly in excess of the estimate of the late Government might prove, and I know it has proved to a certain extent, somewhat disturbing to the House and to the public. Up to the 31st March, 1911, there had been expended in cash upon this undertaking the sum of $95,422,533.44. For the current year it is estimated that the outlay will amount to about $22,500,000, so that at the end of the present fiscal year the Dominion will have expended nearly $118,000,000. Now, in view of this large outlay, and I think probably that at least $100,000,000 additional will be expended before completion, I have thought it advisable in the financial interest of the Dominion to present a statement of capital and special expenditures from 1904 onward, that being the first year of the expenditure on Transcontinental railway account, dividing them into outlays on the railway on the one hand and on the other the capital and special outlays for other purposes. Against these I have set the increase and decrease of debt for the respective years, and from the statment it will be found that from the year 1904 to the 31st March, 1911, Canada expended $95,422,533.44 on National Transcontinental railway account.
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> I desire to say, both to those of our own Dominion, and to those in Great Britain, if there be any, who have felt misgivings as to the very large amount of estimated expenditure upon the eastern section of the National Transcontinental and the burden entailed upon the country in consequence that I think it will be reassuring, completely reassuring, to know that, great as the cost has been, and will be, a large proportion of that cost for the past, has been and for the future, (if conditions continue as I believe may very well be expected), will be liquidated from the surpluses of consolidated revenue account and will not become a charge upon the future. I think we are all glad that we are able to make that statement.

That is a statement, Mr. Speaker, which to the ordinary man would appear to show that the Minister of Finance was perfectly satisfied with the financial condition in which he found the country when he took office, and perfectly satisfied with the undertaking of the late Government to build this road. Were the hon. gentleman then of the same frame of mind as now, I would suppose he would have expressed himself to that effect. I submit that the evidence which he gave in his speech at that time is a better class of evidence and more conclusive as to the real conditions of the country at that time, than the evidence he gives now when he finds that things have gone bad, by reason of his mismanagement, and when he is trying to escape from the position in which he finds himself, by saying that the policy of the former Administration was wild and foolish in respect to railways. That sort of statement must receive very little attention when we measure it with the position which the hon. gentleman took when he first became Minister of Finance, and when the condition of the road and the condition of our finances were fully before him.

As to the financial condition of the country, I would say to the Minister of Finance

that in the condition in which he finds the country to-day he ought to touch the poor people as lightly as possible with taxation. I speak on behalf of the honest yeomanry of that part of the country from which I come—sturdy, firm, hard-working people who are willing to work if there is work for them; coal-miners and steel-makers, fishermen and lumbermen, all ready and willing to work and scorning to look to any one for assistance if the opportunity is given to them to earn an honest living. I am not going to say where the difficulty comes from; all I can say is that, when our Tory friends were in power before, those conditions were abroad in the land. When they were not in charge of the affairs of this country, we had peace and plenty and abundance of every kind. When they came back to power, this locust came back with them. Whether they are to blame for it or not, I do not know; but, as the blind man of old said: "One thing I know, that, whereas I was blind, now I see." All we can say is, that, whereas we had good times without them, with them we have the locust and the pest and the bad times. I would suppose that the hon. gentlemen who have wrought with those difficulties and troubles have made conditions for the poor workingman such that he cannot feed his children, and that he has to cut down his expenditure on their food and clothing and shoes. Hon. gentlemen opposite should try to steer clear of making any further exactions on the people by way of taxation. If there were any way by which this could be done, I would expect that the humane and sometimes good-natured hon. gentleman who is Minister of Finance and who is absolutely responsible for this condition would take that course. Some of us, when we get into difficulties, would be glad to share the responsibility with and to blame other people. It is very natural to put the blame on some one else. If we go back to the first man we believe there was, when he was questioned about his shortcomings, he said: "This woman whom thou gavest me"—she is the cause of all the trouble. From that day down, it has been natural for human beings to blame some one else. I am glad to find that we have in the Minister of Finance a man who would not only not blame his wife, but would not blame any one else in the world for any pitfalls into which he might stumble. He scouted the idea of consulting the Prime Minister or any other member of the Cabinet. He said: It was I myself, first, last and all the time; and if there are any mistakes, they are mine, and if there is any glory, it is mine. That is the position of the minister, and I wish to bring home to his doorstep the fact that he should not place upon the shoulders of the workingman, who in my county gets two or at the most three days' work a week, a tax when he goes to the store on Saturday night with his little earnings to get food and supplies for himself and his family; that he should not stand at the door of that store with his ultimatum: Before you go in, you must give me something ranging from thirty-five to forty per cent of the little money in your pocket, and with the rest you can buy what you like. That is a rather hard and somewhat humiliating position for the good physician, as he calls himself, of this country to be in, under the conditions that prevail at present. If that course could be avoided, it should have been done by the hon. minister.

The Finance Minister says that he will require $100,000,000 to carry on this war. We shall be glad to assist him in getting $100,000,000, or double that amount, if he so desires. There will be no obstruction or objection on this side of the House. If the hon. minister had stopped there and borrowed that money, and was taxing the people only for the interest on it, he would not be obliged, as I said a moment ago, to stand at the shop-door watching those people and taking the money out of their pockets as they enter. All he would have to do would be to impose this stamp tax, this direct taxation, from which he would get more than sufficient to pay the interest on the borrowed money, and to form the nucleus of a pension fund which could be speedily increased when occasion arose. That is all that would be expected of him, and that amount the people would certainly pay. He goes on, however, to gather more money and to levy heavier taxes. The hon. minister tells us this is a war tax. It is more than a war tax; it is a matter of policy, as can be seen from his own speech. This raising of the tax is put forward by him and his Government as a thing that should be done, for the purpose of popularizing themselves in the country. In his speech which he delivered the other day, he said:

> We believe the tariff increases which we propose not only will be effectual in producing greater revenue, but will be strongly effectual in stimulating Canadian industries and agriculture and relieving unemployment.

There is the question of policy. When this jaded horse, as I may call the people

of this country, is trying to move along, half-fed and half-clad, the country generally is to be stimulated by putting on more whip, more poverty, and more taxation. That indicates that it is not only a question of emergency, but a question of policy on the part of the Government, and that it is the old promise of adequate protection for the classes that are the favourites and pets of this Administration. I do not want any better evidence that that is the real kernel of the whole matter when, for the purposes of an election or for some political purpose, it is put into the speech of the hon. minister that this is a tariff for the purpose of stimulating Canadian industry. This is not the time when the poor people of this country should be taxed for the purpose of stimulating industries conducted by millionaires, who can very well put the money which they have hoarded up into their industries and stimulate them in a legitimate and proper way. They, however, will take good care to sit tight on the money they have hoarded up in the banks, and will ask the Government to go into the highways and byways, and collect from the poor people of this country the money that they have not got, and that they can ill-afford to pay in for purposes of this kind, however willing they may be, and however desirable they may regard that purpose from the standpoint of the present condition of affairs.

The best test of the financial condition of the country is the interest charges. How did the hon. Minister of Finance find this country as to expenditure and surpluses when he came into office? In 1911-12 he found an expenditure of $87,000,000 and a surplus of $39,000,000. To-day he finds himself with an income of something like $120,000,000 and an expenditure of $180,000,000, leaving a deficit of something like $60,000,000. That tells its own story, and there has been a series of accidents and mismanagements which we would find it hard to believe, since hon. gentlemen opposite took charge of the affairs of the country. When the Government of Sir Wilfrid Laurier took office in 1896, the interest charges were $10,000,000. After fifteen years of prosperity and successful administration, that Government in 1911 handed over the affairs of the country to its successors in office with interest charges of only $12,000,000, an increase of only $2,000,000 in fifteen years. That is at the rate of $133,333 a year. The interest charges for 1915 will be $21,500,000, an increase of $9,500,000 within three years, or at the rate of $3,166,000 a year. That shows the speed at which our friends opposite have been going and how impossible it has been to put a check upon their extravagance.

We hear a great deal of talk about the carrying on of public works. Hon. gentlemen opposite pride themselves on their determination to carry on these works. If public works are carried on in a proper way, we in our part of the country need the extension and expansion of those works as much as any others. I submit that the old eastern settlements of Canada are entitled to as much consideration as any other part of the country. Yet, after nearly two hundred years of settlement we have less conveniences in the way of public utilities in some parts of my county than in the newly-settled portions of the far West. I do not begrudge our friends in the West anything that is done for them. I will cheerfully vote for the ten or eleven millions proposed for their assistance. But I submit that when the fishermen along the coast require assistance to enable them to get properly on their field on the sea, as the farmer in the West goes to his field on the prairie, they are entitled to the consideration of this Government. Before the present Government came into power we had the Government committed to the building of harbours and breakwaters and the dredging of streams and outlets of harbours along the coast of my county as well as other parts of Nova Scotia to enable our fishermen to use the class of boat necessary to carry on their work as it ought to be carried on. I am sorry to say that all these were wiped out from the Estimates with a stroke of the pen, and not a dollar has been spent in my own county or in any county in eastern Nova Scotia, so far as I know, except, forsooth, the county of Halifax. We have had millions spent in that county and not a cent elsewhere. The Prime Minister (Sir Robert Borden) is not here, but I brought to his notice last year the fact that in 1911 we were ready to start the construction of three short lines of railway in the province of Nova Scotia—one in Halifax county, one in Guysborough and the third in my own county of Victoria. Tenders had been called and contracts were ready, and in some cases signed. In my own county the whole thing was thrown to the winds and nothing has been done since. The same treatment was meted out to the people of Guysborough. But the Prime Min-

ister thought proper to carry on the road in his own county. If the Prime Minister were here I would tell him the story of an old Indian who used to profit by selling the heads of bears in Pictou, Halifax and Guysborough counties. There is a law on the statute book that the person who brings in the muzzle, or nose, of a bear he will get $20. This old Indian, after he had shown a bear's nose in Pictou and collected on it, would go on the same errand into Halifax and then into Guysborough. On one occasion he came to Halifax county, but the officer to whom he applied felt that this was a Halifax bear. So he asked the Indian: "Are you sure that this bear came from within the boundaries of Halifax county?" And the answer was: "What does a bear know about county lines?" The bear knew nothing about county lines, but the Premier cannot be so accused. He is fully aware where the boundary lines of Halifax are, and he takes care to spend the money there, to the exclusion of other parts of the province. But I hope the day is not far distant when we shall be again in a position not only to complete our railway in Halifax, but also to build our roads in Guysborough and Victoria, as well as attend to the other public matters now so badly neglected by those who are governing this country. I submit to the Minister of Finance that it was not fair to the people I represent to have every dollar voted for them wiped clean off the slate, leaving unattended all those crying needs to which attention has been called, the money being spent elsewhere. It is sad to think that of these $39,000,000 that were handed over we have not a dollar to-day. The Minister of Finance knows where it went, of course, but it is beyond his reach; he cannot bring it back to help him now in the distressed circumstances in which he finds himself. There are some extravagances to which attention should be given. But the conduct of the Government has been arraigned in such a striking way by the junior member for Halifax (Mr. A. K. Maclean) that we may all very well sit back and say nothing further on the subject. The charges he made against the Government have not been answered; there has not been an attempt to answer these charges, which show that there is extravagance on every side and incapacity in every shape.

There are certain direct complaints which came to me about some of the taxes. Particularly I would call attention to the complaints of the men who are in the drug business in my own constituency, including those of William Hines, Frank L. Fry, P. L. Smith and A. D. Stevenson, some of the leading druggists in my own town, who wire and write me asking that I should protest to the Prime Minister, and especially to the Minister of Finance, against the heavy exactions imposed upon them as druggists. I hope the minister will give careful consideration to these matters, and will relieve as far as possible the heavy burdens thrown upon men who are doing business as these druggists are.

I wish to pay this tribute to the Minister of Finance: he excels all others in his capacity for prodigal expenditure and prodigal extravagance and in his lack of capacity as the watch-dog of the Canadian treasury. Perhaps he has been too good-hearted, and has allowed others to deceive
11 p.m. him into the belief that he should dash away and spend the money, as he was advised by the hon. member for Queens, P.E.I. (Mr. Nicholson). Hon. gentlemen opposite have dashed away and spent the money, and now they are fast dashing themselves to pieces on the rocks.

It is not so many months since the right hon. Prime Minister told us that it would take the Canadian people twenty-five or fifty years to build anything in the shape of a navy that would be worth mentioning or worthy of the name. Be that as it may, I can assure the right hon. Prime Minister that in less than three years he and his Government have succeeded in raising and developing a prodigal son who flocks by himself without rival or peer in ancient or modern history.

We pride ourselves on having made rapid strides along every line of development. We look down from our lofty eminence on the crude civilization of other days. But if there is one thing more than another in which within the last three years we have outstripped and outclassed ourselves and all former ages, it is in our reckless prodigality of public expenditure. Try if you can, Sir, to institute a comparison between the amateur performance of the prodigal son of Babylonian days and the fully equipped, developed and practised prodigal of the Tory Government. When you do so, the Babylonian product pales into a negligible nonentity. We are taught to remember the Babylonian artist as a miserable object in rags and tatters, unworthy of our admiration, sympathy or respect, but the Borden prodigal is the Chesterfield of his time, bask-

ing in purple and fine linen; much more does he eclipse the Babylonian product in other respects. The ancient prodigal had some regard for property and civil rights, and only took the share that fell to him after a proper division of his father's property. Our prodigal of the Borden fibre, scorning such trammels of scrupulosity, would take the whole business. The Babylonian product had also some regard for public opinion, for he carried on his ravages in a far country. Our prodigal had no such compunctions; he carried on his performance in broad daylight and in the market places, absolutely oblivious to the demands and exactions of higher things. The Babylonian artist fed his swine in a field, undoubtedly at a respectable distance from the haunts of men. Our modern artist gathered his Gadarene herd of political insatiables right around him so that the high court of Parliament is not immune from their incursions. Still more did our distinguished prodigal outstrip and outclass his prototype of Babylonian days in the manner in which he dealt with his father, confiding old Canada. Where does our unfilial spendthrift leave his father? He leaves him absolutely penniless, standing at the corners of places of public resort, such as railways, stations, customs houses, banks and post offices, begging for coppers, his estate squandered to the four winds of Heaven, and the spendthrift son an absolute bankrupt. It now remains to be seen what the end shall be. Our prodigal cannot say, "I will arise and go to my father," for he left his father penniless and homeless; there is nobody to dance, and no fatted calf to kill. But I have reason to believe that in the very near future the elder brother, as represented in the intelligent Canadian electorate, will find a place for the unpenitent prodigal on the high shelf of political forgetfulness, where the wicked cease from troubling and the weary are at rest.

Mr. H. BOULAY (Rimouski) (Translation): Mr. Speaker, I do not intend to discuss any of the statements just made by the hon. member for Cape Breton (Mr. McKenzie) or of his other charges which have been contradicted again and again by previous speakers on this side of the House. In beginning I must say I do not share the views expressed by the hon. member for Laprairie-Napierville (M. Lanctôt) in his speech of Tuesday last, as regards our cash contribution for carrying on the present war. However, I am proud to see that the French Canadians are flocking in by thousands at the call to the colours, and flying to the aid of not only Belgium, France and England, but of the civilization of the entire world, menaced by that horde of modern barbarians calling themselves Germans, worthy descendants of the Ostrogoths, the Visigoths and even of the Huns, who were in the Middle Ages the scourge of that portion of Europe. But as to our cash contribution, I am dubious whether we are not really doing more than our share, whether we have the means of furnishing so much money, and if the advantages we would gain thereby could recompense us for the enormous sacrifices we are now making, a pecuniary sacrifice which I consider out of all proportion to the resources of our country. We need not only courage and the ambition to serve; we need, at the same time, to be sure we possess the means requisite to that end. It appears to me that the upkeep of our soldiers once they have landed in Europe, should be altogether chargeable to the country we are assisting. The contribution of blood is more burdensome than that of money, but we are inclined to contribute the former all the more willingly that our sons are willing and proud to sacrifice their lives to defend that civilization so fearfully menaced. However, I am not prepared to say that I will oppose the proposed vote of 100 millions, for the greater the cost the greater the sacrifice appears, and we hope that our ancient motherland of France, as well as our new mother country, England, will be so much the more grateful the more painful the sacrifice will be for us.

We are about to debate a question of great importance to our country from the financial standpoint. During the month of August of last year fifty millions were voted. The public treasury, or Canada as a whole, was drained of millions for the defence of the Empire and of Canada. This sum, enormous in proportion to the financial resources of our country, is in great part already spent, and to-day we are asked to vote double that amount—one hundred millions. We are asked to make another enormous pecuniary sacrifice. We are again ready to do so. We are asked, besides, to make the greatest sacrifice that could be asked of a man—the sacrifice of his blood, of his life, the sacrifice of our brothers and sons for the defence of the Empire and of Canada—We are prepared to make it. By thousands, from one end of Canada to the other, our youth have ralllied to the flag.

Yet while we are asked to make the most

terrible sacrifice, the sacrifice of our life, it is well that we French Canadians should do a little thinking; firstly, as to our reasons for participating in this war of extermination, and secondly, the state of affairs in this country for some years past.

With heroic Belgium sacrificing her national wealth, her children and her monuments, to defend a principle, with France, no less proud and brave, the cradle of our ancestors, with these countries repelling the most uncalled for invasion, with England as nobly and courageously flying to the succor of these two peoples so brutally attacked by the most brutal of nations, we had not a moment to hesitate.

Our duty was clear. We realized this and set to work at once. The sons of Quebec stand shoulder to shoulder on the battle fields of Belgium, on Salisbury Plain and in our Canadian camps, with the soldiers of English nationality. I even venture to say that in the first contingent sent abroad, there are more French Canadians, in proportion to our total population, than there are English Canadians born in Canada.

We are proud and happy to do our duty, but we do it with a certain bitterness of soul, even regretfully and with foreboding. Why? The reason is very plain. It is because in the Canadian confederation we are not treated with the consideration due to us. Our rightful privileges are denied us. In a word, though dwelling beneath the shelter of the British flag, we are certainly not given British fair play. I am here alluding to government employment. Not that I wish my compatriots to seek easy jobs. I would rather see them possess themselves of the soil and remain agriculturists, than to flock into our cities and towns. Nevertheless we must face the situation as it really is, and the complaints reaching me are justified, for our compatriots have not always in the past, and do not to-day receive the fair play to which they are entitled in this regard. British fair play exists, however, but it is one-sided. We are treated with every consideration so long as we permit our rights to be taken away, so long as we are pliant, so long as we are content to take second place, just so long as we are content with the humblest positions. Let the French Canadians stand back. We should be snow-shovellers, mechanics, day-labourers, elevator-men, bowed down by hard work at a small salary—that is what we are fit for. But the most lucrative offices and the greater number of positions are reserved for our English-speaking citizens.

If perchance any may doubt the accuracy of my statements on this subject, let them examine with me the report I am about to quote. This report was prepared under the preceding Administration, an Administration under which our compatriots had a right to expect full and entire justice. But then, just as now, we waited patiently, vainly, hoping from day to day for better things.

Mr. PROULX (Translation): The hon. member should consult this year's report, it is the latest one.

Mr. BOULAY (Translation): I would ask the hon. member to get this report ready and I shall read it with pleasure. In the meantime I will consult the report prepared in 1907. I will not refer to every department, but quote a few only so as to bring the most salient facts before the House.

Taking the office of the High Commissioner in London, it employs five clerks, not one of whom is a French Canadian.

The Department of Justice employs four French Canadians and thirty-eight English.

The Interior Department, twenty-six French Canadians and 217 English.

The Auditor General's Office, one French Canadian and forty-six English.

The Finance Department, one French Canadian and seventy-five English.

The Department of Trade and Commerce, four French Canadians and 41 English.

Customs Department, 147 French Canadians and 1,175 English.

Department of Agriculture, 27 French Canadians and 125 English.

Department of Railways and Canals, 8 French Canadians and 87 English.

Department of Indian Affairs, 16 French Canadians and 161 English Canadians.

The proportion of employees according to nationality is as follows: French Canadians 17.80 per cent; English 82.20 per cent.

According to the latest census up to that time, the census of 1901, the proportion of French Canadians relative to the total population of the country had risen to 30·71 per 100, exclusive of Swiss and Belgians who should have been classed as French, which would have still further increased the above ratio.

The total number of civil servants permanently employed amounting to 5,634, there should be 1,792 French employees instead of the 1,039, which would give the 30·71 per 100. The number of French Canadian civil servants should therefore be increased by 753. The number of other employees should be reduced to 4,042, which would give

the 69·29 per 100, whereas it is now 4,795. Reduction to be made 753.

The total amount paid to employees being $5,781,250, the French should receive $1,775,422, which would equal the 30·71 per cent, whereas they receive only $987,300. Deficiency to be made up $788,122. The total paid to other employees being $4,793,-950, it should be reduced to $4,005,828, a decrease of $788,122.

This report speaks for itself, and it clearly shows how unjustly we are treated. We were then allotted neither our fair proportion of employees, nor an equitable ratio of salaries. Are we any better treated to-day? Any one of my colleagues from the province of Quebec can corroborate what I say.

In this House, from the little page boys up to the highest functionaries, in the distributing office, in the accounts branch, the telegraph offices, we are confronted with all kinds of difficulties.

In the public departments, our position has become intolerable.

A short time ago, I visited an office of the Department of Agriculture, which comprised nine employees, not one of whom understood me when I spoke French, and a similar state of things is to be found everywhere.

The heads of departments, who must necessarily communicate with French people all over Canada, should in all cases be able to speak French.

Why should not all employees drawing a salary of say over a thousand dollars a year, be obliged to speak the two languages?

Moreover, some even have the impertinence to present themselves in the province of Quebec to conduct investigations, or preside in the courts of justice, without understanding a word of French. What would our English-speaking fellow citizens say if they were sent a French Canadian under the same conditions? The English newspapers of the Dominion would be all too few to hold the remonstrances, the protests, and we would be treated to no end of inflammatory harangues on the subject.

Imagine the ridiculous situation of a chief clerk in Ottawa, obliged to settle some question with a Rimouski farmer who has travelled 500 miles to get in touch with the Department of Agriculture. The chief does not speak French, and there are very few French employees in the department. And the same conditions obtain all through the service.

On the Government railway the Intercolonial, half the entire mileage of which is in the province of Quebec, we have not had a single superintendent with a French name for 45 years, with the exception of one Dubé, who filled that office for a time, but who is not now employed by the Intercolonial.

Of 49 chief clerks in the Intercolonial offices at Moncton we find only three with French names.

On the dining cars there is not one French Canadian, although the ordinary employees, apart from the higher officials, number 78. Even day labourers are not so well paid in the province of Quebec as are those in Nova Scotia and New Brunswick. Up to last year there was a difference of twenty to thirty cents a day, but I have succeeded in securing an increase in wages of ten cents. There still remains a difference of from ten to twenty cents a day. However, this can be easily remedied.

We are not asking impossibilities. The cost of living is no greater in New Brunswick than in the province of Quebec, and our labourers should be paid the same wages as the others.

I repeat, we are demanding nothing exorbitant, nothing impracticable—simply that English-speaking employees who come in contact with us should speak a little French, as we require our French Canadian compatriots to do.

The hon. Minister of the Interior not long ago informed me that he had received complaints, and these from Quebec, that the employees of his department in Quebec did not speak French. I am not surprised at this, it is the general complaint heard from French centres everywhere and less than a twentieth part of these protests is made public.

In the various public departments here in Ottawa, it is the continual complaint of our compatriots that they are being passed over.

Capable employees work a lifetime for a small salary, while they see English-speaking employees arriving at the eleventh hour to supplant them or receive promotion, etc.

For three years I have heard constant recriminations on this subject, I have inquired into the facts of the case and have found that in the majority of instances, our compatriots have cause for complaint.

There is however an easy remedy, namely, to submit all departmental promotions to a committee made up of an equal number of French-speaking and English-speaking Canadians.

Under such circumstances, it is no wonder that our compatriots complain and finally ask themselves whether they are born to be treated as Pariahs in the country,

or to enjoy at least as much freedom as is accorded to later arrivals.

We, the colonizers of this country who have dwelt three centures on this soil steeped in the blood of our missionaries and of our fathers who died in its defence, do we not deserve a happier lot? Our English fellow-citizens of Quebec realize this. So do a good many others.

If the Ottawa Parliament wishes to give an example of moderation and justice in insisting that all chief clerks possess at least some knowledge of French, we would soon see in all the English provinces a speedy end put to this unjust persecution of our language.

Confronted by the predicament in which we are placed by the arbitrary laws of Manitoba, of Ontario and elsewhere, is it possible to believe that a French Canadian can make the sacrifices asked of him to-day with the same heartiness and courage as does the English Canadians?

I think I have said enough about this and I return to my first question relative to the speech of the hon. member for Laprairie-Napierville.

There are several points on which I totally differ in opinion from the hon. member, and I do not wish to have everything he has said taken as Gospel-truth. First and foremost I disagree with him when he says: "The present Minister of Finance never having been a minister or even a member of Parliament, could not have had any experience."

To this I would answer, as the poet says:

To those to the manner born, valour need not wait on years.

It was not necessary that the Minister of Finance should spend all his life in Parliament in order to properly administer his department. He has recently demonstrated this to us in a masterly speech explaining the situation, and I think even the Opposition members were thoroughly convinced of this.

The hon. member for Laprairie-Napierville also said we had increased the public debt by 200 millions. I do not hesitate to say he has uttered an evident falsehood. On consulting the Canadian Year Book for 1913, I find the following on page 520: In 1911 at the date the Conservative party assumed office, we had a net debt of $340,042,052. On March 31, 1914, the net debt was $339,000,000. We had therefore decreased the debt by one million. These facts cannot be controverted.

The hon. member has also accused us of being the authors of the present war. It seems to me that had he looked at the facts and the situation as it really is, he would have been forced to admit, as we do, that even had his party been in power the war must have broken out notwithstanding. The Liberal party could have neither prevented its breaking out, nor stopped it when once begun. The uselessness of these warships is clearly demonstrated by the fact that the fleets of England and France do not confine their efforts to holding the German navy in check, but have bottled it up completely.

The hon. member for Laprairie thinks it a crime that Mr. Bergeron should draw a salary from the Government. The hon. member for L'Islet (Mr. Paquet) who has just spoken has fully explained the matter and set it right.

I do not know whether the hon. member did it purposely, or that he misunderstood what he read. I am rather inclined to think he wished to falsify the figures in order to mislead the public. Mr. Bergeron received $30 a day, which sum included salary and expenses.

The hon. member said, moreover, that besides his expenses Mr. Bergeron had charged up the cost of a secretary, of an automobile, etc. I do not know where the hon. gentleman obtained his information, but the expenses charged to the account of Mr. Bergeron are ten dollars a day, which sum pays the cost of vehicles, automobile, and of a secretary. All this is shown in the report of the Auditor General on page 48 of Hansard.

As regards Honourable Judge Doherty, the member for Laprairie has again misrepresented the facts. He claims that Judge Doherty draws an allowance of $7,000 a year, whereas it is only $4,666. I understand that ever since 1868 retiring allowances have been granted judges. The Opposition were in power for fifteen years. If this enactment regarding retiring allowances was unjust—and I must admit that I am not greatly enamoured of it, I am even strongly opposed to it—it seems to me his party should have abolished it. From the answer by the Minister of Finance to an interpellation by the member for Prescott (Mr. Proulx) on the 8th of March of the present year, it will be seen that in 1879, just as the Conservative party was coming back to power, the total amount of allowances paid retired judges was $44,888.92, and in 1896, the closing year of the Conservative regime, the total had reached $52,759.75. It will be noted, therefore, that in eighteen years the Conservatives had increased this allowance by not more than approximately eight thousand dollars. Things were therefore in statu quo. In 1911,

the last year of the Liberal regime, we find that judges' allowances totaled $151,428, an increase of nearly a hundred thousand dollars in fifteen years.

I think, then, instead of crying scandal as regards Judge Doherty's allowance, the member for Laprairie while his friends were in power, should have devoted himself to the reduction or even the total abolition of these allowances. But I will not hesitate to say what I think: If we are granting any one useless appropriation, that appropriation is these judges' retiring allowances. In my opinion, a man earning a salary ranging from five to eight thousand a year, for many years, should not find it necessary to end his days as a state pensioner.

The Opposition instead of being scandalized to-day, should have repealed that law while they had the power, but they have done the very opposite, since they have increased these allowances by one hundred thousand dollars per annum. There is something much more of a real scandal than Judge Doherty's allowance, namely, the case of Judge Clement of British Columbia, which occurred during the Liberal Administration. This gentleman was a Liberal, not a Conservative. He cheated the public treasury out of $4,000, but I have heard no protest from the member for Laprairie.

As to Judge Doherty, if the country considers it has need of his services, I fail to see what scandal there can be in acting as a minister of the Crown while drawing a retiring allowance. If he were not a cabinet minister, some one else would be minister in his stead, and would receive a salary, while Judge Doherty would still draw his allowance. The treasury would not save a cent by this, while it loses nothing by having Mr. Doherty in the Cabinet. Were we to recall all the doings of our adversaries while in power, we should reveal many scandals. Something would be said of the famous Arctic expedition, of the Transcontinental scandal where sand excavations were charged as loose rock, and paid for at the price of the latter, this being followed by an entire series of transactions so scandalous that the chief engineers on two different occasions had to send in their resignations, finding it impossible to condone such scandals in the construction of this railway. Again, if we wished to bring up the unfortunate incidents at Quebec, which led to the resignation of a certain member of Parliament, it would be edifying indeed.

Such things happen in both parties, and we must not rub it in too hard. Those who live in glass houses should not throw stones.

Let us now glance at the condition of the Dominion revenue at different periods.

In 1897 the expenditure per head was $7.46 and the revenue $7.36. In 1911, when the Liberals went out of office, the revenue per head was $16.20 and the expenditure $12.18. The Opposition accused us of mismanagement during the last three years. If we follow up the comparison, we see that in 1913 the revenue was $21.74 per head, and the expenses $14.44, or an excess of revenue over expenditure of $7.30, while in 1911 under the Liberal regime the difference was only $4.02.

As it is getting late I shall condense the remarks I have yet to make. On the 16th of February last the hon. member for Regina (Mr. Martin) made a speech in this House in which he asked for seed grain for the provinces of Saskatchewan and Alberta. I find in the supplementary budget, soon to be voted the sum of $10,401,958.25.

We are told as a reason why we should come to the aid of the West that the land belongs to the Federal Government. Even if this is the case, it seems to me we would have everything to gain in giving up these lands rather than spend millions every year to aid Alberta and Saskatchewan. After all, the West has been built up by the old provinces. We have constructed their railways and canals, we have brought them immigrants by hundreds of thousands, and every year they keep on coming to ask of us millions for public works, for general development, and we vote them millions under the pretext that the Federal Government owns the lands. Besides the same need of aid exists elsewhere than in the western provinces. In my own constituency, I last year forwarded petitions from nearly all the parishes of Rimouski to the hon. the Minister of Agriculture, requesting him to come to the aid of the farmers by supplying them with seed wheat, or at the very least, to have the transport charges paid by the Federal Government. This was refused because, it was stated, it was contrary to law.

If there is a county anywhere in the Dominion requiring Government assistance, that county is surely Rimouski, for this reason: It is the northernmost county of the whole province of Quebec. Our farmers have seven months of winter and five of summer. They must battle against a rigorous climate and against a dearth of seed grain. Despite this, they display great courage and firmness. Notwithstanding the unfavourable climate and seasons, prosperous cheese and

butter factories are found in every parish. When I asked that these brave, plucky farmers be given well merited assistance, I was told this would be against the law. It appears to me it would be easy to enact a law, in a few lines, empowering the Government to come to the aid of these courageous people. We give a great deal of assistance to the western farmers, why not aid those of the East who have as much right to assistance?

I beg the Government to consider the situation. If it be necessary to enact a law, this can be done easily. Rimouski is the most northerly of the counties of Quebec province, and is the most disadvantageously situated. I know there are many members of Parliament who have never seen this portion of the province of Quebec in winter, and it must be visited in winter to realize the truth of what I say. Our spring season is two months later, and we have earlier frosts in autumn than in any other part of our country. I give these explanations, because I do not wish any one to think I am asking for something that is not really needed, or that I desire to annoy the Government by my importunity. If Rimouski had a climate like that of the Eastern Townships or of the district of Montreal, I would never make such a request. We would be only too happy to enjoy such a climate. But it is just the opposite.

I wish to be heard in order that the situation may be thoroughly understood, and I ask my friends to help me. I do not want to bring in a Bill entailing the expenditure of money; this would fail as it is within the competence of the Government alone. But I ask the Government to leave nothing undone to aid the Rimouski agriculturists, who occupy such an inhospitable soil.

Mr. W. F. CARROLL (Cape Breton South): The hon. member is usually very independent in his statements in this House. On this occasion in his speech, as far as I was able, or rather as I was helped to understand him, he has taken a somewhat peculiar position. He has criticised the Government for doing certain things and for purposing to do other things; but he still says he is obliged, under the circumstances, to support the Government. He takes the stand that the Dominion of Canada or this Parliament should not assist England to any further extent than would come within her means. I take it from that that his idea and contention is that this country and this Parliament should not assist England beyond the revenue or the surplus of revenue after the ordinary expenditures of the country would be covered. Still he says he is going to vote for the one hundred millions! If that were said by a Liberal member of this House, and the further statement were made that the Canadian contingent, after leaving our Canadian shores, should be maintained in England and on the continent by English money, you would certainly hear throughout this country the usual cry that we of the Liberal persuasion were disloyal. I am not going to charge the hon. member with any disloyal sentiments. I believe that he is expressing his opinion as to the proper course for Canada to pursue in connection with this war. He criticises the Liberal Government in connection with pensions, but he comes to the rescue of the present Government for adopting the same system of pensions, a very peculiar stand. I presume that some parts of his speech will be for consumption in certain counties in Quebec where the pension schemes are not very well liked, and other parts will be used in other parts of Quebec. I am sorry that I could not follow the hon. gentleman in all his remarks. He belongs to that class in the province of Quebec, who, I understand, are denominated Nationalists. I have no doubt that the hon. member is quite sincere in saying or in thinking that the French Canadian people, owing to the fact that so many of them went to the front to fight the battles of the Empire, are not getting as fair a show in this country as he thinks they should get. I am sorry to think that the hon. gentleman has any such idea as that; but I can hardly think that he believes it. I think that he must, when looking into this question at short range, come to the conclusion that there is no class distinction in Canada so far as Nationalists are concerned, and that the day is past when he can say that his French confrères in this country, either in the Civil Service or anywhere else, are not getting equal justice with other nationalities —English, Scotch, Irish, Belgian or any other. Such sentiments as these should be deprecated; they should not be given utterance in this Chamber; and I can only say that, after all, it is a provincial view to take in a House of Commons composed of members representing people of very many nationalities. However, as I said, I believe that perhaps the hon. gentleman may be sincere, but it looks to me as if, after all, he was speaking to a certain small section in his own county where perhaps those sentiments may have some effect in

capturing votes at the next general election. I shall not follow him any further in the remarks which he made upon the war and the conditions under which his confrères in Quebec enlisted for active service at the front. To me, a young member of the House perhaps not just as well matured in partisan and political bitterness as some others who have been longer in public life, there has been in this debate one thing very gratifying and very pleasing and encouraging, that is, the evidence that there are times in Canadian public life when the parties on the floor of this House, representing the two great parties in this country, can see as one on certain great public issues that arise. It is most pleasing to myself to know that in this country there is but one opinion as to what Canada's duty and the duty of the public men of Canada should be during the present crisis—that that duty is to give every dollar available and every willing man available to the service of the Empire, so long as they should be needed, to uphold the dignity and prestige of Great Britain.

On motion of Mr. Carroll the debate was adjourned.

On motion of the Hon. W. T. White, the House adjourned at 11.40 p.m.

Monday, March 15, 1915.

The House met at Three o'clock, the Speaker in the Chair.

VANCOUVER TERMINAL RAILWAY COMPANY.

Mr. NORTHRUP: A few days ago a report was received from the Railway Committee to the effect that the preamble of Bill No. 55, to incorporate the Vancouver Terminal Railway Company, had not been proved. The Bill had been opposed by the hon. member for Vancouver (Mr. Stevens), and the counsel for the city of Vancouver had objected to the word "Vancouver" being included in the Bill. I understand that an arrangement has been come to under which the promoters agree that the word "Vancouver" shall be excluded from the Bill. In order that the Bill may be referred back to the committee, to be considered upon its merits, I beg to move:

That that portion of the seventh report of the Select Standing Committee on Railways, Canals and Telegraph Lines reporting the preamble of Bill No. 55, an Act to incorporate Vancouver Terminal Railway Company, as not proven, be referred back to the said committee for further consideration.

[Mr. Carroll.]

Mr. STEVENS: The statement has been made that I entered into an arrangement on behalf of the city of Vancouver whereby it should be agreed that this Bill be referred back to the committee. I wish to state that this is not the case. I made no such arrangement. I was asked if I would move that it be referred back or would agree that this course be taken, but I did not agree either to make the motion or to consent to its being made. I want to make my position in the matter perfectly clear; I accept no responsibility in that respect.

Mr. LANCASTER: I suppose it is clearly understood that it is still open to the Railway Committee to reject this Bill if they think it is not a proper Bill; otherwise I should ask the House to vote down the motion. There were other objections to the Bill than those mentioned by the hon. gentleman who makes this motion. As Chairman of the Railway Committee, I do not wish to oppose a re-hearing of this Bill if the House thinks it should be referred back to the committee, but I wish it to be understood that if the committee sees fit to reject the Bill it shall not be hampered by this action of the House.

Mr. SPEAKER: According to the wording of the motion, the matter is left entirely to the judgment of the committee. The motion proposes that the Bill be simply referred back to the committee for further consideration; it is unaccompanied by instructions.

Motion agreed to.

TRANSFER OF BRITISH SHIPS.

On the Orders of the Day being called:

Sir WILFRID LAURIER: I wish to call the attention of the Government to a statement which appears in the press to-day, namely, that an Order in Council has been passed effecting the transfer of British ships to persons not qualified for such ownership. Has any such Order in Council been passed?

Sir ROBERT BORDEN: My recollection is that there was an Order in Council on the subject, passed in practically the same form as that which has been adopted in Great Britain. Any action taken was so taken in consequence of representations made to us by the Imperial Government, if my memory serves me correctly, as I think it does.

Sir WILFRID LAURIER: All I ask is that a copy of the Order in Council be brought down, accompanied by a statement of the authority under which it was passed.

Sir ROBERT BORDEN: Yes.

THE MENACE NEWSPAPER.

On the Orders of the Day being called:

Mr. GAUVREAU: I should like to put a question to the Postmaster General, if he will be good enough to give me his attention.

(Translation). I find, in a Montreal paper, that the Canadian edition of the Newspaper La Menace is still being circulated through His Majesty's mail, in spite of the promise made to your predecessor, Mr. Pelletier, in the course of February, 1914. Yes, I find that this paper keeps on publishing against an important portion of our people, that is, against the Roman Catholics, such injurious and slanderous things, that I would hesitate even to read those nasty articles here, because I consider that this assembly is composed of gentlemen, and that such things should not be read in good company. I have the Nationaliste in my hand, and if the hon. Postmaster General will take the trouble to peruse those articles in this paper, he will see that I am not exaggerating in the least, and I am satisfied that there is but one thing to do—he will do it if he likes—it is to stop the paper in question from being circulated through His Majesty's mail, for that paper is a disgrace and a dishonour to journalism in this country.

Hon. T. C. CASGRAIN: (Translation): I thank the hon. member for having drawn my attention to the fact that the newspaper La Menace is still being circulated through the mail. I thank him also for having pointed out to me the article which he refers to. I shall see to that matter, and he may rest assured that, should La Menace keep on publishing such articles as those which have appeared in the Canadian edition of that paper, its circulation through the mail shall be prohibited.

QUESTION OF PRIVILEGE.

On the Orders of the Day being called:

Mr. PROULX: I wish to raise a question of privilege. The Ottawa Evening Journal of last Saturday, in an account of the debates of this House, said:

> The Chamber was a deserted looking place last evening for a while. Hon. Charles Marcil and Mr. Proulx were in charge of the Opposition and at that they were half asleep on the job.

I wish to deny the imputation that I neglected my parliamentary duties. Instead of being half asleep I was fully awake, and if you will consult the Hansard you will see that I was awake enough to interrupt the hon. member for L'Islet (Mr. Paquet) and my hon. friend from Rimouski (Mr. Boulay). I think the correspondent of the Journal should be more truhtful in reporting the proceedings of this House. I can say for the hon. member for Bonaventure (Mr. Marcil) that he also was fully awake and that during the speech of the hon. member for Rimouski he took notes. I was sitting beside him.

Mr. SPEAKER: The question raised by the hon. member is a correction of improper reporting by a newspaper, but not a question of privilege. Of course, the hon. gentleman has a perfect right to deny the incorrect report.

CORRECTION.

On the Orders of the Day being called:

Hon. J. D. REID (Minister of Customs): On the 9th inst. I was asked a question as to a carload of potatoes that had been sent to Boston from New Brunswick and had been condemned there. I made the statement that the potatoes condemned had been shipped from Boston to Cuba. I got the information from the Deputy Minister of Agriculture. Since then he has told me that the potatoes were not shipped from Boston to Cuba, but that the American authorities had them destroyed or allowed them to be used in Boston, but directed that no further potatoes were to be shipped from Canada to the United States. I make this correction feeling that the misstatement which I had inadvertently made might interfere with the trade now carried on between Canada and Cuba. The carload of potatoes did not go from Boston to Cuba, as I stated on the 9th instant.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 69, to incorporate Colonial Bank (Canada).—Sir James Aikins.

Bill No. 70, to incorporate the General Trust Company of Canada, and recommending that the title be changed to an Act to incorporate Alberta Permanent Trust Company.—Mr. Douglas.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

EMPLOYMENT OF F. X. ROY.

Mr. E. LAPOINTE:

1. Is Mr. F. X. Roy, of St. Philippe de Néri employed by the Inland Revenue Department?
2. If so, from what date, and what are his duties and salary?
3. Who recommended his appointment?

Mr. BLONDIN:

1. Yes.
2. October 25, 1912. Preventive officer, at $100 per annum. Food inspector, at $100 per annum.
3. Mr. L. O. Lavallée, M.P.

THE CIVIL SERVICE COMMISSION.

Mr. MARCIL:

1. Of how many members is the Federal Civil Service Commission actually composed?
2. Who are the members of the Federal Civil Service Commission?
3. What is the rank, standing and salary of the Civil Service Commissioners?
4. Were the two Civil Service Commissioners appointed under the Civil Service Amending Act of 1908?
5. Does that Act provide for the appointment of a third commissioner?
6. Does it provide for the appointment of a chairman of the Civil Service Commission?
7. Has the amending Act of 1912, providing for the appointment of a third commissioner and a chairman of the Civil Service Commission, come into force? If so, on what date?
8. Has the Government appointed a third member of the Civil Service Commission?
9. Has the Government appointed a chairman of the Civil Service Commission?
10. Has the Government appointed Mr. Adam Shortt Chairman of the Civil Service Commission?
11. If so, on what date and at what salary?

Mr. CODERRE:

1. Two.
2. Adam Shortt and M. G. LaRochelle.
3. Deputy head, $5,000 per annum.
4. Yes.
5. No.
6. No.
7. No.
8. No.
9. No.
10. No.
11. Answered by No. 10.

RICHMOND COUNTY RAILWAYS.

Mr. KYTE:

1. Did the Government order a survey of a line of railway in 1914, from Sydney to Point Tupper, or along any portion of said route?
2. Was such survey made?
3. Who were employed in making such survey and what were the wages of each?
4. What was the total cost of such survey?
5. Is it the intention of the Government to acquire the Cape Breton railway from Point Tupper to St. Peters?
6. Is it the intention of the Government to build a railway from St. Peters to Sydney and Louisburg?

Mr. COCHRANE:

1. Yes.
2. Yes.
3. The name, position, and rate per month are: J. H. Congdon, reconnaissance engineer, $150; D. J. Bergin, reconnaissance engineer, $150; J. H. MacKenzie, assistant engineer, $150; G. H. Patterson, transit man, $100; G. W. Bradden, leveller, $75; G. E. Dowling, draughtsman, $75; G. R. MacGrane, topographer, $60; A. E. Oulton, assistant draughtsman, $50; M. C. Duplock, assistant draughtsman, $50; B. H. Smith, head chainman, $45; V. H. Carruthers, rodman, $45; R. P. Hetherrington, assistant topographer, $30; G. E. Stultz, chainman, $30; B. F. McKinnon, axeman, $30; L. McIntyre, axeman, $35; J. McPherson, axeman, $35; M. McPhee, axeman, $35; E. G. McCall, cook, $60; N. Pettis, cookee, $35; M. Morrow, teamster, $35; D. McLean, axeman, $35; W. H. Crandall, assistant draughtsman, $50; William McKenzie, axeman, $35; J. McDonald, axeman, $35; McGowan, and Chisholm, team, $90.
4. $8,064.96.
5 and 6. The matters are under consideration.

DUCK MOUNTAINS TIMBER RESERVE HOMESTEAD ENTRIES.

Mr. W. M. MARTIN:

1. What are the names of the men who obtained homestead entries in Duck Mountains Timber Reserve in the province of Manitoba?
2. What were the dates of the respective entries?

Mr. ROCHE: SW. ¼ sec. 2, tp. 29, range 28, w. p. m.; N. Starczuk; 2nd January, 1912.

SE. ¼ sec. 10, tp. 29, range 28, w. p. m.; D. Marczuk; 30th January, 1912.

SW. ¼ sec. 10, tp. 29, range 28, w. p. m.; Ivan Korbut; 30th June, 1911.

SE. ¼ sec. 9, tp. 29, range 28, w. p. m.; S. Elaschuk; 27th June, 1911.

SW. ¼ sec. 9, tp. 29, range 28, w. p. m.; W. Elaszazuk; 7th July, 1911.

N.W. ¼ sec. 9, tp. 29, range 28, w. p. m.; M. Elaszazuk; 3rd January, 1912.

NE. ¼ sec. 24, tp. 29, range 28, w. p. m.; D. R. McDonell; 6th July, 1911.

NW ¼ sec. 24, tp. 29, range 28, w. p. m.; A. J. McDonell; 5th August, 1911.

SW. ¼ sec. 28, tp. 29, range 28, w. p. m.; F. Langen; 20th June, 1907. Part south of river in reserve.

SW. ¼ sec. 27, tp. 29, range 28, w. p. m.; F. Langen, Jr.; 17th December, 1908. Part south of river in reserve.

SW. ¼ sec. 12, tp. 30, range 29, w. p. m.; Frank Lilley; 1st March, 1912.

SW. ¼ sec. 30, tp. 26, range 24, w. p. m.; Otto P. Eberwin; 21st June, 1900.

J. M. CAREY.

Mr. W. M. MARTIN:

1. Has one J. M. Carey applied to the Department of the Interior for the approval of any assignments of half-breed scrip made in his favour by James Sabiston, George Sabiston, senior, George Sabiston, junior, William Sabiston and Colin Sabiston?
2. If so, have any such assignments been approved by the department in favour of the said J. M. Carey?
3. If not, why have such assignments not been approved?
4. Has the said J. M. Carey located any such scrip?

Mr. ROCHE:

1. No.
2 and 3. Answered by No. 1.
4. No.

POPE LEASE ON KNEE HILL CREEK.

Mr. DOUGLAS:

1. How many acres of Dominion lands in township 29, range 21, west 4th Meridian, in Alberta are in what is commonly known as the Pope Lease on the Knee Hill Creek?
2. How many head of stock are the Pope people required to have to hold their lease under the regulations?
3. Have they got that number?
4. Have they bought from the Government any of the land formerly under lease? If so, at what price?
5. Can the Provincial Government enforce collection of taxes on the Dominion lands lease?

Mr. ROCHE:

1. 10,004 acres, approximately.
2. 811 head.
3, Yes, at date of last return.
4. No.
5. The collection of taxes is a matter which does not come under the jurisdiction of the Federal Government.

ST. DENIS RURAL MAIL.

Mr. L. J. GAUTHIER:

1. What is the list of tenders for rural mail contract No. 2, of the parish of St. Denis, county of St. Hyacinthe?
2. What is the price mentioned in each of the tenders?
3. To whom has the contract been granted?
4. (a) At what price, and (b) at what date?

Mr. CASGRAIN:

1 and 2. Joseph Mathieu, $545 per annum; Amedèe Plante, $550; Donat Desrosiers, $580; F. Gaudette, $584; William Roy, $590; Louis Desrosiers, $645; Donat Desrosiers, $540. The last mentioned was an offer from Donat Desrosiers to reduce his tender of $580, but it was not received at the department until the 11th January, 1915, three days after tenders were due and after the lowest regular tender had been accepted.

3. Joseph Mathieu.

4. (a) $545 per annum; (b) 8th January, 1915.

NATIONAL TRANSCONTINENTAL RAILWAY —PORTNEUF CLAIMS.

Mr. DELISLE:

1. Is the Minister of Railways aware that there are still claims against the National Transcontinental railway unsettled in the county of Portneuf?
2. If so, when is it expected that they will be finally settled?

Mr. COCHRANE:

1. Yes.
2. As soon as they can be investigated.

NATIONAL TRANSCONTINENTAL RAILWAY —QUEBEC TERMINALS.

Mr. DELISLE:

1. Is it the intention of the Department of Railways or of the Government to build a central station for the National Transcontinental railway at the Champlain Market in Quebec?
2. If so, what kind will it be, at what cost, and when is it intended to commence the work?

Mr. COCHRANE: The following information has been furnished by the Chief Engineer of the National Transcontinental Railway Commission:

1. A stone and brick station is now under construction at Champlain Market. Work was commenced last year. The estimated cost is about $65,000.
2. Answered by No. 1.

RIGAUD ARSENAL.

Mr. BOYER:

1. On what date did the Government sell the Rigaud arsenal to the Rigaud Granite Company, Limited, of Montreal?
2. Has it so far received the price of the transaction, in whole or in part?
3. Who was the agent of the Rigaud Granite Company, Limited, for securing the sale of that building for the Government?
4. If the Government has not yet secured the price of this transaction, does it intend to take steps to ascertain the solvency of that company?
5. Is the Government aware that the said company is reported to be no longer in operation?
6. Is the Government aware that the town of Rigaud, as alleged, used that company for failure to fulfil its obligations?
7. Is the Government aware that the president of that company is said to be a German, and is reported to be now at Hamburg?
8. Who is the person authorized by the Rigaud Granite Company, Limited, to prepare the documents regarding the transaction?

Mr. ROGERS:

1. Order in Council passed on 28th January; letters patent signed on 16th February, 1915.

2. No. The matter is now in the hands of the Justice Department, whose agent is instructed to not deliver letters patent until compensation is paid.

3. Mr. S. A. Richardson, Secretary of the Rigaud Granite Company.

4. The Government is not interested in the solvency of this company.

5, 6, and 7. No.

8. No information in the department.

WAR SUPPLIES—HORSES.

Mr. MARCIL:

1. Were any horses purchased in either Bonaventure, Gaspé or Rimouski counties for war purposes?

2. If so, how many were so purchased from each county, and by whom were the purchases made?

Major General HUGHES:

1. No record of such.

2. Answered by No. 1.

Mr. MACDONALD:

Where does Mr. Woodworth reside in Pictou county, and what is his business address, who sold horses in Pictou county to the Militia Department?

Major General HUGHES: No information.

Mr. PROULX:

1. How many horses were purchased by the Government in the county of Prescott since the 1st August, 1914?

2. From whom were the horses purchased, and what was the price paid for each?

3. Who were the purchasing agents?

4. What sums were such purchasing agents paid for their services?

Major General HUGHES:

1. No record of such.

2, 3 and 4. Answered by No. 1.

WAR SUPPLIES IN BONAVENTURE, GASPE AND RIMOUSKI.

Mr. MARCIL:

1. Were any war supplies purchased in Bonaventure, Gaspé or Rimouski counties?

2. If so, what did they consist of, and what was the amount of the purchases respectively?

3. From whom were the purchases made?

Major General HUGHES: The Department of Militia and Defence has no specific record whence contractors obtained supplies.

QUEBEC FISHERIES.

Mr. MARCIL:

1. Has any understanding been arrived at with the Quebec Government regarding control of fisheries in the waters of Quebec?

[Mr. Boyer.]

2. If so, what is the nature of the understanding?

Mr. HAZEN:

1. Negotiations are proceeding; but up to the moment an arrangement has not been reached.

2. Answered by No. 1.

BONAVENTURE COUNTY MAIL SERVICE.

Mr. MARCIL:

1. Who is the contractor for the mail service between Matapedia and Avignon and L'Immaculée Conception?

2. Was the contract awarded after tenders had been called, was the present contractor the lowest tenderer, and what was the figure of his tender?

3. When was the contract awarded?

4. What did the service cost under the previous contract?

5. Is the service the same as under the previous contract?

6. What is the name of each tenderer, and the figure of his tender?

Mr. CASGRAIN:

1. Thomas C. Gallant.

2, 3 and 4. The contract was awarded to Mr. Gallant, who was the lowest tenderer, at $750 per annum, on the 18th July, 1911, and who was advised of the acceptance of his tender. Subsequently, on the 28th July, 1911, this was cancelled on the recommendation of the Hon. Mr. Marcil, who submitted a reduced offer from Joseph Poirier at $725 per annum. The contract was then awarded to Poirier at $725 per annum. In March, 1913, Mr. Gallant submitted the facts of the case to the Postmaster General, who decided to terminate Poirier's contract if Gallant would accept the same price, $725 per annum, which he agreed to do.

5. Yes.

6. T. C. Gallant at $750 per annum; Joseph Poirier at $850.

BROOKS-MACNALLY MAIL SERVICE.

Mr. BUCHANAN:

1. Was the lowest tender accepted for the mail service between Brooks and MacNally? If not, why not?

2. Were tenders advertised for the service between Earlstone and MacNally?

3. Was the contract awarded to the lowest tenderer?

4. Have any complaints been made about the weekly service between Earlstone and MacNally?

Mr. CASGRAIN:

1. After the tenders were invited, the department was obliged to re-arrange the service and increase the distance on the removal of Winnington Post Office. It was also ascertained that the Bassano and Swift Current section of the Canadian Pacific railway would necessitate a further re-adjustment of all the mail services in the

district. It was decided, therefore, to make a temporary arrangement only, which was done at a rate lower than the lowest tender received.

2. No.

3. On the establishment of this service the department received a very reasonable offer, and as it was under $200 per annum, it was not considered necessary to invite tenders.

4. No.

WAR SUPPLIES—BICYCLES.

Mr. GERMAN:

1. How many bicycles have been purchased by the Government for the Militia Department since the 1st of August, 1914?

2. With what extra equipment, if any, have these bicycles been supplied?

3. What price has been paid for such bicycles?

Major General HUGHES:

1. 1,220 bicycles purchased.

2. These bicycles were of special military design, the only extra equipment being rifle clips and lamps.

3. 450 at $62 each complete. 770 at $55 each complete.

RICHELIEU RIVER WHARVES.

Mr. TOBIN:

What was the cost of the wharves at St. Ours, Beloeil, St. Charles, St. Denis and St. Marc; on the Richelieu river?

Mr. ROGERS: Beloeil wharf, $15,134.10; St. Charles, $7,288.64; St. Dénis, $9,043.56; St. Marc, $5,717.; St. Ours, $8,604.

ST. ANTOINE DE RICHELIEU WHARF.

Mr. TOBIN:

1. How much has the wharf at St. Antoine de Richelieu, county of Chambly-Verchère, cost up to the present day?

2. What was the amount of the probable estimate of that construction?

3. Who selected the site of that wharf?

4. How many days of dredging were required to place the wharf at deep water, and how much did it cost?

5. From whom was the ground for that wharf, as also that for the road leading to it, purchased, and at what price?

6. (a) Is the Government aware that a much more suitable and less costly place had been selected for the construction of that wharf, namely: Doctor Lapierre's wharf? (b) If so, were any recommendations made in that regard?

7. Who was the foreman overseeing or superintending the said work, how much did he earn per day, and how much has he so far received?

8. Is the wharf completed, or is it intended to make any improvements thereon?

Mr. ROGERS:

1. $13,089.54.

2. $8,900, exclusive of site, inspection, shed and dredging.

3. The site selected was recommended by District Engineer Michaud.

4. A basin in front of the wharf was dredged out to the channel by the departmental plant between 15th July and 17th September, 1912, at an estimated cost of $5,215.08.

5. Site was purchased from Mr. Jacques Cartier for the sum of $1,200.

6. (a)No; (b) three other sites were recommended, but not approved.

7. Inspector Ignace Archambault, $3 per day and total paid, $786.

8. The wharf is completed.

PICTOU COUNTY RURAL MAIL.

Mr. MACDONALD:

1. Has a petition been received for a rural mail delivery route from Westville and Alma over Green Hill, in Pictou county?

2. What action, if any, has been taken by the department in regard to it?

Mr. CASGRAIN:

1. Yes.

2. The matter is still under inquiry by the Post Office Inspector, whose report is expected at an early date.

PHILIPSBURG-ST. ARMAND STATION MAIL SERVICE.

Mr. KAY:

1. What are the names of the tenderers for the mail contract between Philipsburg and St. Armand station?

2. What is the amount of each original tender?

3. To whom has the contract been awarded, and at what price?

Mr. CASGRAIN:

1. Wilfrid Larivière, Levi, L. Maskell.

2. Wilfrid Larivière, at $300 per annum; Levi L. Maskell, at $425 per annum.

3. Levi L. Maskell, who had been performing the service temporarily from November 22, 1914, offered to reduce his tender to $295 per annum; and the contract was awarded to him at that price.

STANBRIDGE EAST RURAL MAIL SERVICE.

Mr. KAY:

1. Who were the tenderers for rural route No. 3, Stanbridge East?

2. What was the amount of the original tender in each case?

3. To whom was the contract let, and at what price?

Mr. CASGRAIN:

1. Herbert C. Johnston, George C. Bullard, P. E. Rhicard.

2. Herbert C. Johnson, at $500 per annum; George C. Bullard, at $815; P. E. Rhicard at $825.

3. The tenders were considered too high and the inspector was instructed to give the tenderers an opportunity of submitting lower offers. Mr. Johnson reduced his tender to $450 per annum, Mr. Bullard to $575 per annum, and Mr. Richard to $500 per annum. The contract was awarded to Mr. Johnson at $450 per annum.

HOMESTEADS AND PRE-EMPTIONS.

Mr. W. M. MARTIN:

1. What is the total area of pre-emptions and purchased homesteads disposed of in the province of Saskatchewan?
2. What is the total amount of money which has been received by the Government on account of such homesteads and pre-emptions?
3. What is the total amount of money still outstanding on account of such homesteads and pre-emptions?

Mr. ROCHE:

1. Purchased homesteads, 752,160 acres; pre-emptions, 4,969,120 acres.
2. Purchased homesteads, $1,427,165; pre-emptions, $2,088,052.
3. Purchased homesteads, $829,315; pre-emptions, $12,819,308.

Note.—The number of acres disposed of under pre-emptions and purchased homesteads for each province and the total amount collected for the two provinces are accurate, but the amount applied to each province as shown above is only given approximately as separate accounts have not been kept for each province.

Mr. W. M. MARTIN:

1. What is the total area of homesteads and pre-emptions disposed of in the province of Alberta?
2. What is the total amount of money which has been received by the Government an account of such homesteads and pre-emptions?
3. What is the total amount of money still outstanding on account of such homesteads and pre-emptions?

Mr. ROCHE:

1. Purchased homesteads, 293,280 acres; pre-emptions, 2,601,340 acres.
2. Purchased homesteads, $713,582; pre-emptions, $1,044,026.
3. Purchased homesteads, $166,258; pre-emptions, $6,760,294.

[Mr. Casgrain.]

Note.—The number of acres disposed of under pre-emptions and purchased homesteads for each province and the total amount collected for the two provinces are accurate, but the amount applied to each province as above is only given approximately as separate accounts have not been kept for each province.

Mr. W. M. MARTIN:

1. What was the total number of homestead entries in the province of Saskatchewan in each of the years 1908, 1909, 1910, 1911, 1912, 1913 and 1914?
2. What was the total number of homestead entries in the province of Alberta in each of the years 1908, 1909, 1910, 1911, 1912, 1913 and 1914?
3. What was the total number of homestead entries in the province of Manitoba in each of the years, 1908, 1909, 1910, 1911, 1912, 1913 and 1914?

Mr. ROCHE:

Calendar year.	Saskatchewan.	Alberta.	Manitoba.
1908	21,004	13,558	3557
1909	19,354	14,907	2,526
1910	26,878	18,013	3,132
1911	20,681	14,960	2,944
1912	18,425	13,668	3,133
1913	14,524	12,122	2,998
1914	9,752	10,772	4,252

T. A. ANDERSON.

Mr. W. M. MARTIN:

1. Has T. A. Anderson been employed by the Department of Immigration at any time during the years 1912, 1913, 1914 and 1915?
2. Is he still so employed?
3. What was the date of his appointment, what are his duties, and what is his salary or remuneration?

Mr. ROCHE:

1. No.

2 and 3. Answered by No. 1.

LAND OFFICE OFFICIALS.

Mr. W. M. MARTIN:

1. What are the names of all the officials, whether temporary or permanent, at present attached to the Swift Current land office?
2. What was the date of the appointment of each of such officials?
3. What is the salary paid to each, and what are the duties of each?

Mr. ROCHE:

Names.	Date of Appointment.	Salary.	Duties.
F. G. Forster	Nov. 1, 1913...	$1,800	Agent.
P. G. Mugliston	Oct. 21, 1913...	1,200	Sr. asst.
A. Powell	[illegible] 1, 1911...	1,000	Accountant.
J. Harvie	Dec. 1, 1906...	1,300	Clerk.
J. G. Gorton	Sept. 5, 1911...	960	"
A. H. Hall	Feb. 12, 1912...	1,000	Patent clerk.
J. Mackay	Aug. 7, 1911...	900	Clerk.
V. Chivers-Wilson	Feb. 19, 1912...	900	"
W. H. Woodhall	Apr. 10, 1913...	840	"
H. Gregory	July 18, 1913...	900	"
E. McClenaghan	Apr. 6, 1911...	780	"
S. Lee	June 3, 1914...	7[illegible]0	"
A. McDonald	Aug. 13, 1913...	780	"
Mrs. John Larter	Oct. 6, 1911...	720	"
Miss B. Salisbury	Apr. 1, 1913...	720	Stenographer.
Miss G. Henze	Dec. 7, 1911...	720	Clerk.
J. W. Stafford	June 20, 1904...	1,800	Distributing relief.
J. Furnis	Dec. 1, 1913...	1,200	Homestead insp.
W. Shields	Dec. 1, 1911...	1,300	" "
J. A. McDonald	Dec. 28, 1912...	1,300	" "

Mr. W. M. MARTIN:

1. What are the names of all officials, whether temporary or permanent, at present attached to the Maple Creek land office?

2. What was the date of the appointment of each of such officials?

3. What is the salary paid to each, and what are the duties of each?

Mr. ROCHE:

Names.	Date of Appointment.	Salary.	Duties.
C. H. Stockdale	Mar. 16, 1912...	$1,800	Agent.
J. A. Currie	May 15, 1907...	1,200	Sr. asst.
T. W. Clarke	Jan. 25, 1912...	1,000	Clerk.
G. Lister-Willey	Mar. 1, 1913...	1,000	Accountant.
L. J. Smith	Mar. 8, 1913...	780	Clerk.
W. J. Howlett	Apr. 14, 1914...	780	"
W. Leckie	Apr. 22, 1913...	780	"
U. Isabelle	Mar. 3, 1913...	780	"
H. J. Wade	Feb. 1, 1914...	780	"
W. Goehring	Mar. 1, 1913...	780	"
Miss P. Cheeseman	May 26, 1913...	660	Stenographer.
Miss M. Wills	Aug. 6, 1913...	600	"
Miss I. Tuhten	Oct. 29, 1913...	600	"
Miss M. Harris	Jan. 20, 1914...	600	"
T. McMann	Jan. .., 1913...	300	Janitor.
Wm. Steer	June 12, 1912...	1,200	Homestead insp.
P. McLaren	Apr. 25, 1912...	1,200	" "
W. S. Jones	Mar. 21, 1912...	1,200	" "

Mr. W. M. MARTIN:

1. What are the names of all officials, whether temporary or permanent, at present attached to the Saskatoon land office?

2. What was the date of the appointment of each of such officials?

3. What is the salary paid to each, and what are the duties of each?

Mr. ROCHE:

Names.	Date of Appointment.	Salary.	Duties.
M. A. Macinnes	Jan. 10, 1912...	$1,800	Agent.
A. S. Newcombe	Jan. 1, 1909...	1,300	Sr. asst.
J. T. Moxon	Mar. 19, 1912...	1,200	Accountant.
L. C. Paterson	May 17, 1910...	1,020	Clerk.
F. E. Wager	Jan. 30, 1912...	900	"
W. R. Lowe	Jan. 12, 1912...	900	"
J. Soucy	Mar. 23, 1911...	900	"
C. W. Armstrong	June 4, 1912...	900	"
E. J. Koyle	June 5, 1911...	900	"
W. J. Spencer	Dec. 23, 1912...	840	"
W. Hoy	Oct. 1, 1913...	780	"
W. D. McAllister	Oct. 13, 1913...	780	"
Miss P. Winterton	Dec. 23, 1912...	660	"
Miss M. Kilburn	Dec. 24, 1912...	660	"
Miss D. Jackson	May 28, 1913...	660	"
Miss K. Hanna	Dec. 11, 1912...	660	"
A. E. Mosses	Feb. 1, 1913...	1,200	Homestead insp.
F. M. Collins	Feb. 1, 1912...	1,200	" "
J. Balfour	May 25, 1912...	1,500	" "
C. E. Barr	May 30, 1912...	1,200	" "

CANADIAN TRANSPORTS.

Mr. MARCIL:

1. Did the steamers which carried the first Canadian contingent to England and the warships escorting them, anchor in Gaspé Bay?
2. If so, at what dates, and what is the name of these steamers and warships?
3. What is the tonnage and draught of each of these steamers, and warships?
4. Was the anchorage found to be satisfactory, and what was the prevailing wind at the time?
5. At what precise localities did these craft anchor, and in what depth of water?
6. Has it been found necessary to make any alterations in the charts since the period in question, in consequence of the experience gained, or to provide any new aids to navigation in that bay?
7. Is there a wireless station in Gaspé Bay or the Baie des Chaleurs?

Sir ROBERT BORDEN: The information asked for is of a confidential character, and I do not think it would be desirable to afford it to the House at this juncture.

SUPPLIES FOR INTERNED ALIENS.

Mr. PROULX:

1. From whom are the supplies for the Petawawa military camp purchased?
2. Are tenders asked for before purchasing them, and who are asked to tender?

Major General HUGHES: Does this refer to the military camp or to the camp for interned aliens?

Mr. PROULX: The camp where alien prisoners are interned.

Major General HUGHES: That is not a military camp.

[Mr. W. M. Martin.]

Mr. PROULX: Well, it is a military camp.

Major General HUGHES: The interned alien camps are under the Justice Department, while the military camps are under the Militia Department.

Mr. PROULX: I beg the minister's pardon; I was under the impression that this was a military camp.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. Buchanan: For the total amount already paid by the Government for relief to the settlers in the Medicine Hat constituency; the total amount of the outstanding accounts; the unpaid accounts amongst the merchants of Medicine Hat city, and the name of the merchant in each case?

Sir Wilfrid Laurier: For a copy of the claim of Captain Stephen Paul, owner of the steamer Rhoda, for the destruction of his ship, as a wreckage, by the Department of Marine, and of all correspondence with regard to the same.

Mr. Law: For a return showing the itemized disbursements of Ward Fisher, inspector of Fisheries, of Shelburne, N.S., for the year 1912, amounting to $388.40, and the year 1913, amounting to $1,009.84.

Mr. Kay: For a return showing the names of the persons who bought the horses which were sold by auction at Valcartier camp, giving the price paid for each horse.

Mr. W. M. Martin: For a copy of all correspondence passing between any department of the Government and any official of the Government, or any other person, with respect to the placing of settlers on homesteads in the Duck Mountains timber reserve, and also of the evidence taken by Inspector Cuttle of the Department of the Interior in an investigation held by the said

inspector with respect to the granting of entries for homesteads on the said timber reserve.

Mr. W. M. Martin: For a copy of all petitions, correspondence and the documents passing between any department of the Government and any official of the Government, or any other person, concerning the issue of certain half-breed scrip to James Sabiston, George Sabiston, senior, George Sabiston, junior, William Sabiston and Colin Sabiston.

THE BUDGET.

PROPOSED WAR TAXATION.

Consideration of the proposed motion of Hon. W. T. White (Minister of Finance) for the Committee of Ways and Means, and the proposed amendment of Sir Wilfrid Laurier thereto, resumed from March 12.

Mr. F. F. PARDEE (West Lambton): It has been intimated that the Minister of Trade and Commerce will be called away from the city very shortly, and that he is anxious to speak in the Budget debate. The hon. member for Cape Breton South (Mr. Carroll) now has the floor. I understand that with your consent, Mr. Speaker, and with the unanimous consent of the House, the Minister of Commerce may now speak, on the understanding that the hon. member for Cape Breton South will follow. We on this side of the House have no objection to such an arrangement.

Mr. SPEAKER: When this request was made to me I looked into the matter very carefully, and I could find no rule and no precedent which would justify this course of procedure. In the circumstances, and at the request of both hon. members, I decided to submit the question to the House for its unanimous consent, with the understanding that this would not be regarded in any sense as a precedent. If it is the unanimous wish of the House, I will assent.

Sir WILFRID LAURIER: Carried.

Hon. Sir GEORGE E. FOSTER (Minister of Trade and Commerce): Mr. Speaker, I desire to thank my hon. friend from South Cape Breton (Mr. Carroll) for his courtesy. Some time in the future, when I get to be as young as he is and when he gets to be as old as I am, I will repay him the compliment very heartily.

It is not to be expected that after this debate has run its course, as it has for now about a month, anything very new can be said upon the somewhat limited questions at issue. I do not undertake to occupy a few moments of the time of the House this afternoon with any idea that I shall greatly instruct or enlighten its members. I will, however, make some few remarks, partly by way of review or restatement of much that has been said hitherto.

I thought I observed in the speech of my right hon. friend (Sir Wilfrid Laurier) that he approached the action which he proposed taking with something of a troubled conscience, and the opening part of his speech appeared to me to be a good deal like an apology for what he intended to move, and what might result from his action in proposing an amendment. He spoke of the necessity for an Opposition always maintaining its right and power of criticism. I do not think any one on either side of the House would attempt to deprive an Opposition, or indeed any member of the House, of the right to criticise, and even in a case like this, where in a certain degree an understanding had been reached last year—not after deliberate conference or negotiation, but arising out of a general sense of what was fitting and best in the circumstances—that support should be given by all parties in the House to the offer of services of arms from Canada in the war, and the vigorous prosecution of that offer. Then my right hon. friend laid down two propositions, and, with the consent of the House, I will state what they were. My right hon. friend said:

> When at the opening of hostilities in the month of August last the Government announced that it had offered the services of Canada to the Government of Great Britain, if these services should be found useful, we on this side of the House, His Majesty's loyal Opposition, the Liberal party of Canada, declared at once that to this policy we would offer no objection, but on the contrary that we would give it loyal support. . . .
>
> We went further: not only did we give our support to the Government, but we thought it would be more in accordance with the fitness of things that we should refrain even from discussing those domestic problems which always divide a free people.

These two statements taken together sum up the position of my right hon. friend and the party he leads. A little later in his speech he quoted from the Saturday Review in reference to certain action taken by the Opposition in the British Parliament, principally by Lord Curzon, Lord Selborne and Mr. Bonar Law. Without reading the whole of the quotation, I would like to read one or two passages. Referring to the task of an Opposition, it said:

> In time of war this task mainly resolves itself into finding the right men for the work in hand, and in securing that they shall have all the support they require in material and in authority. . . The Opposition is bound to reserve to itself the right to question the Government, to watch closely and perpetually its political conduct of the war, to express any misgiving or disagreement it may feel frankly and distinctly.

I take this extract from an article in the Evening Journal, which my right hon. friend commended:

> When the Imperial Parliament met in November, "this," said Premier Asquith, "is not a proper time for dealing with any matter of domestic politics," and the view he thus expressed was taken willingly by both sides.

The article then refers to Mr. Austin Chamberlain's conduct and co-operation with the Government, and maintains that, although Mr. Austin Chamberlain could not approve in principle the financial arrangements made by the Government, he co-operated before these were made, and although he dissented from some of them, he expressed in the House his determination loyally to co-operate for the general purposes of the war. The article goes on to say:

> Mr. Bonar Law held as an exception that every member and every newspaper had a right to attack any member of the goverment who might be doing his work inefficiently. And nobody questioned that.

These were the principles laid down and approved by my right hon. friend.

He appealed also to the practice in Great Britain which has been so generously and strikingly exemplified in the last eight months. All questions of domestic policy which had divided the parties on opposite sides and which had been the subject of dispute, have been, both by the Opposition and by the Government, tabooed from Parliament since the opening of the war. Those were very vital and disturbing questions, and they were pursued in some cases with an eagerness and a thoroughness, if not with an animosity, which have seldom been witnessed in the British Parliament. When, however, the war broke out, those domestic questions were laid aside. You do not see John Redmond occupying the platforms of the United Kingdom discussing the question of the Ulsterman and the Nationalist. That question has also been laid aside, and John Redmond has used his activities in going up and down through his native Ireland and other parts of the United Kingdom speaking in favour of the enlistment of Irishmen and their co-operation in the war. Another question was the Welsh Disestablishment Bill. That also was fought with great keenness and some acerbity. That has been absolutely laid aside. Nonconformists and Established churchmen have agreed that, while this war is on, that question shall not lead even to discussion, and certainly not to estrangement between the parties. Mr. Bonar Law and those who worked with him were very strongly of the opinion that a change was advisable in the fiscal system of Great Britain. That question has been fought for many years. It was still a live question at the beginning of the war, and it divided both parties very clearly and very definitely; but, since the war broke out, that too has been laid aside, and Mr. Bonar Law and Mr. Austin Chamberlain co-operate most heartily in every effort of the Government, while reserving to themselves the absolute right to criticise the political conduct of the Government so far as it relates to the war and what results from the war. The domestic questions which generally divide people have been laid upon the shelf. They have not been brought down since the 4th day of August, and they are reposing on that shelf now.

At our special session of Parliament, my right hon. friend took that same ground. A Bill was brought down to provide $50,000,000 for the war. We raised a certain amount which was to be contributary to the war fund, and we did it by the old method which has been followed in Canada since Confederation; we placed certain tariff rates of excise and customs on various articles, and we made some changes in other rates. My right hon. friend acquiesced in our action, and his party with him. Whilst they criticised some of the items and gave some good advice, they did not divide the House; they did not prolong the discussion. We come up to this year. What has happened since last session? Is not the course taken by my right hon. friend absolutely contrary to that which has been pursued in the British House of Commons; absolutely contrary to the course which he and his party pursued last year on the war vote and on the means of raising the war vote? If my right hon. friend was right last year, is he right this year? If he appealed last year to the practice in the British House of Commons and if he appeals to it this year—by Caesar let him be judged; for he appeals to Caesar—and I do not think the judgment will be lenient to him from that judge, namely, the practice of the British House of Commons.

Therefore, the first point I wish to draw to the attention of my right hon. friend and his party is that they have departed from the ground which they took last year. They have departed from the practice which they last year commended by their lips and by their practice. This year they have adopted a contrary practice. The country will form its own judgment on that action. That is why I said that my right hon friend

—for whatever reasons he made his decision, by whatever pressure or whatever prospect he was induced to make such a decision—hesitated before he made it, and felt a little troubling of his conscience; and therefore his apology, somewhat lengthy, as to why he was going to adopt a different line from that which he had adopted before.

My right hon. friend traced the course of the truce, as it was called, and commended himself for having kept it. It is a truce which was established not by writings, nor as the result of negotiations or conferences, but which arose out of the spirit and wish of the people at large of both political opinions. It has been fairly well kept. My right hon. friend and his party have not appeared on public platforms discussing those domestic questions which divide us. It is true that the little official utterances—official organs shall we call them?—the breathing pores for each party, have been issued as usual; and whilst they have been fairly reasonable, they have served to keep the idea that two parties do yet exist and that they have not coalesced on all points. The newspapers, I think, have fairly exemplified the same spirit; and, up to this present debate at least, the same spirit has characterized the doings as well as the feelings of this House.

Now we have a change. I put it to my right hon. friend: is the question which we have been discussing for the last four of five weeks in this House a question of support of the war and of war measures, or has the main body of this discussion gone back to the times of 1878 and traced the history of discussion from that up to the present, in the old, old domestic issue and quarrel that has been on from 1875, and is still on it seems, as to whether protection or free trade, or reciprocity or any other form of that domestic policy which shall govern our tariff regulations is the best for this country? That is entirely a domestic question; and this amendment on which we are to be called upon to vote is an amendment which affects absolutely and wholly a domestic question, the question of Canada's own tariff.

In the first place, the amendment, which is guarded in its terms, is based upon an artificial definition made by the first speaker on that side in this debate, my hon. friend the junior member for Halifax (Mr. A. K. Maclean). It is based upon the division said to exist between war necessaries in the way of votes of Parliament and what may be called strictly home necessities. The first thing that was done when the basis of the action was laid down was to make an artificial definition—and found an argument upon it—that a certain amount of this money could be designated a war vote, while a certain other portion of it should be designated a vote for home purposes. And hon. gentlemen opposite believe that they would fulfil their whole duty and be consistent with the position taken last year if, having made that artificial definition, they affirmed that they were quite willing to pass everything in connection with that vote, which they define as necessary for war purposes, and quite willing to criticise, and to oppose, and to defeat if possible, the raising of the money, and the methods by which the money was to be obtained, on what they are pleased to call the provisions for home necessities. This amendment states—I am not quoting its exact words, but the amendment itself, the comments upon it by my right hon. friend, and the summary which was given by my hon. friend from Red Deer (Mr. Michael Clark) in the presence of his leader, runs about this way:—as to the hundred millions asked for this year, like the fifty millions voted last year, upon that we will raise no discussion, with reference to that we will bring no opposition; we will support the Government so far as that is concerned. As the debate progressed that ground was widened a little, because it was pointed out by the Minister of Finance (Hon. W. T. White) and by others, that the hundred millions did not cover the whole of even what those hon. gentlemen were willing to admit was war vote, that a certain sum would be necessary to pay the interest of the two war votes, and that another sum would be necessary to provide for pensions. And so, in the course of the discussion, my hon. friends opposite conceded these two points and indicated that there would be no opposition so far as the principal war vote, the interest upon the war votes and the provision for pensions were concerned. The assertion was made, and the attempt made to prove it and to support it by argument, that nothing else should be included in the war vote, and that for all outside of that these hon. gentlemen were free to oppose and yet to consider themselves as supporting the Government in its war measures.

4 p.m.

My hon. friend from Red Deer (Mr. Michael Clark) asked a question, asked it more than once: Why should Canada be

affected in this way by the war? My hon. friend the junior member for Halifax (Mr. A. K. Maclean) ventured the opinion, from the slight analysis he gave of it and after the short period he had it under review, that only a small part of the diminution of public revenue was due to the war, and that the larger part of it was due to causes entirely outside the war, and that if there had been no war this would have occurred and would have to be made up. Now, in the discussion of that question it is not necessary to go into details; for I think it is plain to every man who reads and thinks that there is an effect from the war over and above what is required for preparation, equipment and maintenance of soldiers, also over and above what is required for their pensions and to pay the interest on money borrowed in this connection—that there are other consequences, other direct entailments of a war which are felt by Canada as well as by every other country and which contribute in a major way towards the diminution of the revenue and the dislocation of trade, and which consequently act as a damper upon progress and upon enterprise. Let us answer the question that my hon. friend from Red Deer asked: Why is it that Canada should be so affected by this war? My first answer is, because Canada is an integral part of the world—just as much an integral part of the world, suffering or rejoicing with the rest of the world, as the foot or the hand of a man is part of his body, to suffer or be healthy according as the rest of the organism is normal or the contrary. Never in any period of the world's history has this been so true as it is to-day. As the central forces from the heart course through every part of the body and give vitality to all, just so to-day the central forces of the world percolate, permeate, find their way into the most remote ramifications of the life of every closely-connected portion of the world. To say that Canada would not be profoundly affected by this war except to the extent of the direct financial burden which she imposes upon herself by reason of her participation in it, is to say what I think will not hold for a single moment in the forum of public opinion. I have had a good deal to do with what has been going on in connection with the war, and I confess that I do not fully feel the responsibilities connected with or realize the consequences which are being and will be entailed by its occurrence. With equal truth it may be said that every member of this House, intelligent, thoughtful, studious as he may be, has as yet but looked over the edge of the precipice, as it were; he knows very little about the seething forces that are beyond him, the effect and influences of which are yet to be felt not merely in Canada, but in the whole, wide world. So I say that it is necessary for me, for all of us, to think this matter out item by item and part by part in order that we may be fairly and adequately seized of what is meant by the greatest war in the world's history; by the most unprecedented course of events that the world's historians will ever have attempted to record.

In the first place, when war broke out, capital was affected. The borrowing power of this country abroad was absolutely cut off. Borrowing power in Canada itself was restricted, restrained and diminished, from the highest circle of borrowers down to the smallest unit. In the present constitution of the world; in its vital union; can a thing like that take place without having a tremendous effect upon the business and other relations of all countries? When war broke out, the credits of the world suffered collapse. As borrowing was stopped, so credit ceased. Foreign credits were no longer given; in every country credits from the highest circles down were curtailed and diminished. Any thoughtful man knows what that means.

What happened to securities in that juncture of circumstances? Every security, from the highest to the lowest, dropped in value; hundreds of millions of them became absolutely useless as instruments of credit. So it happened with other instruments of credit as well. As to trade, what happened? Orders involving in the aggregate vast sums of money, which had been placed in other countries with Canadian producers, were at once absolutely and definitely cancelled. The factories were ready, the materials were at hand, but the orders were cancelled. In so far as those orders were concerned, everything came to a standstill at once Moreover, as it became impossible in many instances for people in Canada to obtain money by borrowing and on credit, purchasing power stopped to a considerable extent, so on the part of South America, South Africa, New Zealand, Australia and every non-belligerent country in the world purchasing negotiations ceased because of a diminution in the purchasing power of those countries. Did that have no effect upon trade? Men were stocked up with various lines of manufacture and of production. Markets that were formerly

open to them were closed, some because of alien belligerency; others because of the results of the war. It is not necessary to labour that argument. To-day there are on the shelves of many producers in this country large stocks of goods; this would not be the case if no war had occurred. The results of the war go still further; they act upon production. If these shelves, instead of being bare of goods, are stocked with them, that means that when the next season comes round the producer is not in a position to replenish his stock. He has nothing to replenish; his old stock is still on his hands, and that condition affects this country and every other country.

What else takes place? Industrial production necessarily lags, slows down and stops, if these other things which I have spoken of take place. That has been the case with production in various lines all through our country. With one exception, all producing interests in Canada have been adversely affected by the war. The exception is the agricultural industry. For a time even that was hit, but, owing to the large demands for food and food products, agriculture is the industry which alone of all the others is not adversely affected; quite the opposite.

In respect of immigration, what have we experienced all through our later history? Hundreds of thousands of immigrants coming into the country. But immigration stopped abruptly when the war broke out. Immigrants contribute to a country not only their brains and their toil, but their money as well. That was stopped too, and so all along the line; these things did take place and do take place, because Canada is a part of the great world organism of national and business life. Revenues decreased because imports decreased; imports decreased as a result of the causes to which I have referred. Imports decreased because exports were not going out to support imports; imports decreased and revenues decreased accordingly. It is not necessary for me to present this argument at length to the members of this House. I present it to the people of the country; to a certain extent that is necessary, because the people in the country do not think along the lines that some of those who are in the House and who are more conversant with these matters are wont to do. It seems to me to be perfectly plain that you do not exhaust the replenishment and sustenance that has to be furnished by this House and this country to carry on the war, when you simply give permission to raise revenues to meet the $100,000,000 appropriation, and the interest upon it, together with the amount required for pensions, which are systematized, to take care of some of the consequences of war.

If my hon. friend from Red Deer (Mr. Michael Clark) were here I would put a question to him. Through his speech, more than through the speech of any other member, there ran the old cry of protection, the bane and the curse, the old domestic question which we were not to touch, but which has been in our home and sitting by our hearth fire ever since the Dominion of Canada had a home and a hearth fire. That old question formed the theme of his speech, and I felt once or twice like getting up and asking him, if he would permit me: Dear sir and kind friend, tell me, in your honest opinion, suppose that instead of protection having been the feature and basis of the tariff system of Canada to-day free trade had been the feature and basis of that tariff system, would none of these effects have been visited upon Canada? If you had put up your shield and buckler, revenue tariff, and said to the world and to these deep, far-permeating influences: Thus far you may come and no farther; you cannot pass that shield and that buckler. I ask my right hon. friend himself, in the absence of my hon. friend from Red Deer, if he would answer the question: Would we have been void, immune, free from all these secondary consequences of war if you had had your reciprocity with the United States? If you had had what you and your party talked about for so many years, but when you had the power never put into operation, free trade, would we or would we not have been subject to the same far-reaching and powerful influences? Why it only needs to ask that question to answer it, and the answer is that there are times when no nostrum saves. There are times when even protection cannot prevent, and when free trade is powerless to prohibit. But we do not give up faith in protection because at times it fails, any more than a man gives up faith in having a water system in a city because there will be conflagrations when the best water system will be as powerless as an infant's hand to stay the conflagration. We do not give up our faith in medical science and medical practice because there comes a time with each of us, or will, when all the science and medical skill possible will not keep the grim reaper from having his harvest. There comes a time when he will not be denied; but we are not foolish enough

to say that because medical science sometimes fails, therefore there is no good in medical science.

No man in this House or this country can find words to express his sense of the responsible and tremendous situation which faces Canada to-day, and which calls not for division of sentiment or effort, but for the sanest, soundest, most co-operating forces within this Dominion to bring it through these tribulations to the safe and sane ground which we believe lies in the future and upon which she will ultimately take her stand. I am not one of those who think that you can pick out any one particular theory or practice and make it responsible for a situation such as we have to-day. What is that situation? An unprecedented war which could not have been conceived by any one before it broke out and before its conflagration spread, unprecedented in respect not only of the almost demoniac energy with which it is carried out, but with reference to the width and space and scope of its destruction and its influences, a war, as I have said, unprecedented in history, in which we form and take a part. If we had to face nothing else than that it would call for the best we can do and the most we can do; and if this war keeps on for months as many as it had already been progressing—and he is a rather daring prophet who will pretend to prophesy that it will have a shorter period, and its intensity grows with its duration—for the war itself and its support and its outcome the best that we can do will be none too much. But we have another situation than that. For that war neither my right hon. friend there nor my right hon. friend here nor the parties that support them are at all answerable. It came, it is difficult to say why—in this brilliant twentieth, Christian century; but it came, and it touched us to the very heart. We did not contribute to its coming, but once it came every man felt that the cause was just and that his duty as a patriot and member of the Empire was to rally to its support and face towards the front.

But there are other features of the situation which are not primarily due to the war. There is a home question and a home situation as well as this other which I have been so inadequately describing. For that home situation who is bold enough to say that one party or another party is wholly responsible? To that home situation, to a certain extent, both parties may have contributed. But I must hold my opinion, and I must back it up by what I believe to be just and true arguments, that for this present home situation the party which is led by my right hon. friend has contributed a mighty big share during the last 15 years, and having contributed that mighty big share during the last 15 years it is not open to them, in the interests of fair play, that they should throw the whole burden upon the party on this side of the House, the Government which, for the time being, happens to have inherited that position and that situation. Rather should their conscience be punctured with a bit of remorse; rather should that incite them to more than common and more than ordinary effort to stand behind the Government, which is a small thing, and the country, which is a much larger thing, in this its great crisis.

Now, what is the home situation? It is an inherited situation, an entailed situation, which the Government has to shoulder whether it wishes to or not. In 1896 our total disbursements were $44,000,000; our net debt $258,000,000. We had a country, such as it was at that time, but I am not going to spend time with reference to that, except to say that at that time we had one great transcontinental line of railway completed, strong, solvent, and in paying operation. In 1911 our total disbursements had risen to $123,000,000; our debt to $340,000,000; and in 1911, with those disbursements and what had preceded them, and with that debt, the country had three large railway systems. The Canadian Pacific Railway extended from what it had been in 1896, strong, powerful, prosperous, and operative in every part of it, and advantageously operative. But we had more. We had a Grand Trunk Pacific railway which we knew not in 1896—a railway which had cost this country in money out of pocket well up to $200,000,000, besides numerous advances and numerous guarantees, and which in 1911 was handed over to this Government unfinished and which this Government was bound to finish; which up to this date has in most of its line been inoperative; and which, in a large part of its line, is still inoperative; and which, beside its completion and beside the entailment of burden which I have mentioned, beside all that, will have to be operated, and for many years operated probably at a very considerable loss.

We have another line of railway, the Canadian Northern railway, which existed in part in 1896, but which in 1911 had assumed the complexion of a transcontinental railway. To that advances were made,

not yet completed through and through, and not yet operated through and through Advances of money, large guarantees, great obligations; and that railway, too, reverted to this present Government, and constitutes a feature of the home situation. We know what these two railways have cost up to the present; we know something of the obligations and the guarantees which surround us on account of them. But not a man in this House has got an instrument fine enough to measure what is possible in the not very distant future as to further burdens, further obligations and further expenses with reference to those two roads. And not only is the Dominion involved, but the provinces are entangled and involved; and the question of the facing of a situation and difficulty of this kind by this Government is complicated by the fact that, if certain things do take place, not only the Dominion Government will feel the burden deeply, but the provincial governments will feel the burden still more deeply, and to their greater risk, because they are smaller and less adequate in financial means.

We had in 1896 no Hudson Bay railway except in imagination. I am sorry sometimes, when I think of it, that members of Parliament have such vivid imaginations, and I should like, in some cases, that we should try to see farther ahead as to means and results. But it was the opinion of both sides of the House as far back as that, that it was worth a try to build the Hudson Bay railway and to get a fresh route out from the West to the markets of Europe. In 1896 that had involved no obligation. In 1911 it had involved obligations, and that road, with its obligations, initiated and almost unstarted, but certainly altogether uncompleted, was thrown on to the incoming Government, and its burden came along with the other burdens. Great harbour improvements were projected, outlined, systematized, legislated upon, and work started upon them; and just after their initiation they also came upon this Government with their large amount of unmet liabilities, owing to their initiation just before, and the time and the money necessary to their completion.

So that, without making this a longer story, is the home situation, which we as the present Government are not entirely responsible for, and when I say that no man will cavil at such a statement. I think no man can rightly cavil at the statement that this Government are not in a major degree responsible for it. But the obligations were entailed upon us, and we have to meet them as well as these others of which I have spoken. Now if there had been no war, if this terrible spectacle at present before us had been held off another decade, although this incoming Government would have felt the burden and the country would have strained under it, it could have carried it through, and carried it through without very great difficulty. There might be a question as to whether the values come or not, but the burden would have been carried through and the country would have borne the burden and come through. Then this war happened, and the moment the tocsin of war sounded these burdens increased their weights by hundreds upon hundreds of per cent. No borrowing was possible; debts had to be paid; obligations had to be met; guarantees had to be protected; and all this thing under the shadow, the malign shadow, of the greatest war of history. That makes the situation still more tremendous—and I do not use too large a word—than it would otherwise have been. Now I put it to the country and to the members of this House that, whilst the Government that comes in has to assume what is entailed by its predecessors, this Government ought to have the fullest sympathy and the fullest co-operation of the hon. gentlemen opposite in staggering along under these home burdens. Let me add to my argument of a little while ago what directly comes out of this presentation which I have made: that, in addition to all the other consequences of the war which made our difficulties great, these responsibilities and obligations thrown on us in conjunction with the war bring the war in consequentially as a factor, and as a large factor in the solution of the home situation. I think I have said enough to outline my thought in this respect. In the first place I say to my right hon. friend that, as he and all no doubt on both sides of the House recognize, the Government of the day, whatever it is, whatever party it belongs to, is responsible for the duties that fall upon it and that may be thrust upon it. In this way this Government is responsible not only for paying the bills, but responsible as to the best methods to be taken to raise money with which to pay the bills, and it is going very far when an opposition reaches beyond war criticism and takes up domestic questions and domestic issues, and says: Thus far will we go and no farther; we are with you for the $100,000,000 and for the added interest and

pension funds, but we are against you when you attempt to raise money in any other way and for any other purpose.

Nor are we open to the objection of proposing to raise this money by methods unused in this country and unauthorized by this country. Theorize as much as you like as to your land tax and your income tax or any other form of direct tax; but we have had theorizing since 1867, and yet no theory has to any extent overborne the practical conclusion come to by the people of Canada and asserted for 47 years, that they have thought that the best way to raise revenue is through the customs and excise. My hon. friends opposite may now challenge that and say there is a better way. It is the challenge of theory, that is all; it is the challenge of the objector who is not in a responsible position to put his theory into practice. Consequently, it seems to me it is not right to urge that theory beyond the proper line, which is the line of advice or the line of suggestion. But when the Opposition goes against the experience and the authorized practice of the country, and the upheld practice in general election after general election in the Dominion of Canada, that we will raise our revenue by customs and excise, it is doing just what it would do in any general election if it took that theory and endeavoured to persuade the people that this was better than the practice of the past. I do not think, however plausible the theory, that it ought to be pressed beyond a certain point. I think when it comes to the final analysis, that if gentlemen opposite think that more money is needed, they ought not to press their objection to that money being voted, simply because they say they do not approve of the method by which it is to be collected. To these gentlemen opposite I say: you approved of that method during all your political history in the past, and you never in this House, or in the press, in addresses to the electors, advocated any other; you bowed before the inevitable, and that inevitable was the will of the sovereign people of Canada expressed many a time.

Then, it all resolves itself into this: the Opposition of this country, not shouldering the same responsibility that the Government does, not to be held responsible for measures and for funds, are able to say at any time to the people: There are the men you chose to rule you and to carry on the operations of Government; they did thus and so, and they alone have the responsibility. You of the Opposition have the right to say that, and you can say it Then is it not somewhat of a responsibility to press the battle to the gates and to declare that though the Government, faced with the responsibility, say they need more money they shall not have it, or, that you gentlemen of the Opposition should say: we would not mind giving to you the money provided you raise it in a different way, and in a way different from that in which it has ever before been raised in this country. All I am pressing for is, that there is a certain point beyond which the Opposition in the House of Commons of Great Britain never yet have gone, and never, to my mind, will go. They will hold the Government responsible; their theories may be different and their views may be diverse, but they say to the Government: we put these views before you, we ask you to look into them, there are our suggestions, that is our advice, but it is your responsibility and if you say that so much money is required, to fight out this war, and if after considering it carefully you say we must raise it in this way, which we think best, then as takes place in Great Britain and any great deliberate body, the Opposition would say to the Government: You can have the money and for your course you take the responsibility.

My right hon. friend will go back on this practice and he will say: I am not objecting to your rasing the money you want if it absolutely necessary, but my point is that it is not necessary, and that you can get along with economy and retrenchment. And I said to myself as I sat in my seat and listened to that beautiful plea by the right hon. leader of the Opposition: "economy and retrenchment," where have I heard these words before? Out of whose lips have they fallen, from whose silver tongue have they flown into the airy spaces of this House and into the wider spaces of the hustings? And behold I had the same personage in view, the same eloquent lips, the same silver tongue. And I remembered the years, and years, and years when the Liberals were in the cool shades of Opposition and longing for the firesides and warm places of office, the cry was economy and retrenchment, economy and retrenchment. And I could not help but remember my experience in 1896, when hon. gentlemen opposite got into power, that not a single one-thousandth part of a second was allowed to pass before that motto of economy and retrenchment was laid away on the shelf, swaddled in grave clothes, never to be unwrapped until there came a political harsh wind in 1911, and then it was brought out and unwrapped and

again set up in the market places. And I said to myself as a reasoning being, what is the conclusion I make from that? Why the conclusion was driven home upon me, as upon on all those who listen to me, and as upon the people of the country, that the advocacy of economy and retrenchment by my right hon. friend now has just as much substance in it and no more than it had from 1880 to 1896.

Some one on the opposite side of the House has said that he hates extravagance. For myself I say, if it is worth anything, that I dislike extravagance in the individual even though he is using his own money, because in some way or other it is borne upon me that after all no man's money is absolutely his own to be spent absolutely as he wishes to spend it. I think there is something in the community of interest which points to a man, even in his private expenditure, having regard to something more than even his own wishes and his own desires. I am not pressing that; but, when you come to talk of the disposal of a country's money I am absolutely certain that I hate and deplore extravagance; I believe it is prejudicial to the best interests of this or of any other country. I cannot help but believe that. What took place? For fifteen years these gentlemen were in power—fifteen years of the most lavish expenditure such as this country never witnessed before. Nobody will dissent from that statement.

Mr. GRAHAM: Nor since.

Sir GEORGE FOSTER: I am glad to have the authority of my hon. friend that, from Confederation up to 1911, the extravagant and lavish expenditure of those fifteen years was never equalled, certainly never excelled, in any former period of our nation's history.

Mr. GRAHAM: "Former" is all right.

Sir GEORGE FOSTER: That is, I have the assent of my hon. friend to the statement that they were lavishly extravagant.

Mr. GRAHAM: From 1911 on.

Sir GEORGE FOSTER: My hon. friend the member for Red Deer (Mr. Michael Clark) said that he hated extravagance and that he did not uphold everything that had been done during the Liberal regime; but he said: "The Minister of Finance has put our extravagance to the blush. We were extravagant, but they have been lavishly extravagant."

Mr. PROULX: Hear, hear.

Sir GEORGE FOSTER: I am glad to have the assent of my hon. friend. This is the point that I wish to draw to the attention of hon. gentlemen opposite, especially of my hon. friend the member for Red Deer. My hon. friend said: "The Minister of Finance talks about his three-year surpluses. Who made those surpluses for him? They were made by Laurier."

Mr. PROULX: Hear, hear.

Sir GEORGE FOSTER: I am glad to have the assent of my hon. friend to that. That is exactly the approval I would like to have from my hon. friend the member for Red Deer if he were here, because my hon. friend started out to prove the hypothesis that protection was the sworn enemy of revenue. Yet protection, carried on for fifteen years by the hon. gentlemen opposite, not only supplied them lavishly with money to spend, but actually continued the process for three years thereafter on accelerated motion.

I was going on to develop the idea that, in this home situation which we have before us, there is a responsibility upon the members of the Opposition as well as upon the Government, and that the home situation, as we have outlined it, is one of the really hard situations with which we have to contend at the present time. Do hon. gentlemen really believe that, if they give us the vote of $100,000,000 and the interest money, say $6,000,000 or $7,000,000, and the pension money, say $3,000,000 or $4,000,000, that is all they should vote us, on the ground that that is all that is required to sustain the burden of the war? There are two or three indications which made me think that some of my hon. friends at least would not go so far as that. If they were going so far, why did the hon. member for Red Deer spend a portion of his time in arguing for a land tax and for an income tax, and why did the hon. member for Saltcoats (Mr. MacNutt) and some other hon. members do the same? Why should they argue in favour of a land tax or an income tax if sufficient provision were made now for the $100,000,000 and for these two other items of which I have spoken? I am bound to believe that those gentlemen really do not believe that this sum of money is sufficient to prosecute the war and to sustain the burden of its consequences. They object on the ground that economy and retrenchment would give a way out. What is the chasm between the proposed expenditures, brought down to their lowest figures, or as low as the Government has found it safe to bring them, and the revenue re-

quired, and how can it be reduced? $130,000,000 of revenue for this year, $60,000,000 of hiatus or deficiency between that revenue and the expenditure required for home purposes. Next year $120.000,000 of revenue, and $80,000,000 of a deficit between that and the estimated expenditure. Can we by retrenchment and economy fill that void? I invite my hon. friends just to go over the various services. My right hon. friend said: "I am not in favour of closing out all these public expenditures." The railways must be carried on, granted—canals must be carried on—granted. The post office must be carried on. Public works to a certain extent must be carried on. The whole appropriation for public works is $22,000,000. Harbours and river service must be carried on. The requirements of trade and commerce must be met. It would be foolish at this particular juncture, in order to fill the void, to stop the work and effort of the Department of Trade and Commerce to provide markets and to sustain the distribution of the country. So in all the great spending and administrative departments, it will puzzle hon. gentlemen opposite to make any great cuts from those I have mentioned, and still maintain the efficiency of the service. It is just as important to keep a home-base strong and intact as it is to look out for your base which is nearer to the front. When you come to public works, with an estimate of $22,000,000, cut it in two, and yet you have only $11,000,000 to your saving. Make the greatest diminution you safely can in the expenditure of all the other departments, and it will puzzle you to produce an economy of $30,000,000 and still do your duty by the public administration and services of the country. Do that and yet you have a deficit of $30,000,000 to be made up. I hold—and I think hon. gentlemen who look at the matter dispassionately, and the country as a rule will be disposed to stand by my suggestion—that it is not proper at a time like this for a government to leave home services neglected; to leave itself without a fair margin of funds for current and special and unforeseen expenditures which may come as this war progresses.

No one knows, arguing from to-day, what may be the situation to-morrow; and I think the Minister of Finance was down to the lowest limit when he tried to make provision for $30,000,000 towards that deficit of $60,000,000 this year and that deficit of $80,000,000 next year. Put in all the retrenchments, economy and saving possible, and yet I think it would be unwise and unsafe to face the year without at least that provision.

So far in my address I have tried to make two points: first, that the war expenditure is immeasurably more than what is provided for in the one hundred millions; secondly, that the home situation is so tense, so responsible, so burdensome, that it would be recklessness rather than wisdom to face it without a shot in the locker, without a provision—not adequate may be, but somewhat near adequate—to meet the situation as it faces us and will face us during the currency of next year.

Hon. gentlemen opposite say that they are opposed to raising this by tariff tax, for two reasons. One reason is that it will not produce any appreciable amount of revenue. Let us discuss that for a single moment. We are imposing 7½ per cent upon all dutiable and free goods from the world generally, and 5 per cent on all dutiable and free goods under the British preference. From Great Britain we imported last year $132,000,000 of goods, of which about $30,000,000 was free goods. From the United States we imported $249,000,000 of dutiable goods and $146,000,000 of free goods. From the whole world we brought in $208,000,000 of free goods. Now, free goods are chiefly those that are not produced in Canada and cannot be got in Canada. Under a protective tariff the rule is to put some measure of protection on what can be produced in the country. So, you have $208,000,000 worth of free goods brought in last year; and on whatever proportion of this is brought in during the next year you will gather 7½ per cent or 5 per cent. That goes directly and absolutely into the Treasury. It is wholly outside of the argument to say that it will raise the price inside the country of that class of goods, because we do not produce that class of goods in Canada. Now, does any man tell me to-day that a very large proportion of our imports of free goods of last year will not be brought in during the coming year? The duties on whatever goods do come in will be revenue absolute and will be lodged at once in the Treasury.

5 p.m.

Then you have $410,000,000 of dutiable goods upon which 7½ per cent and 5 per cent will be collected. Now, that is open to the favourite argument of hon. gentlemen opposite that if you put that extra duty on these goods it will raise the price of goods of that class made in this country to that level, and consequently the country will pay much more than the country gets in revenue. I do not subscribe to that argu-

ment; I do not believe it is demonstrable. I believe that in some cases it has that effect; in some cases it has not; and in others it has a modifying influence—it is partly so and partly not so. But let me take this into account—and I think it is an item of some worth in this discussion: to-day the manufacturers of this country are hungry for business. They are not fully employed. Many of the workmen are idle. There will be the keenest kind of competition between the manufacturers of this country, because the capacity is there to supply much more than is likely to be demanded, and I think that would have its moderating, levelling influence.

Now, how are you raising these taxes? As I have said, by the old, the constitutional, the affirmed method, affirmed since the Confederation of Canada. I think it is idle to say that these taxes will not result in a very considerable addition to the revenue, and I think the claim that they are oppressive must be greatly modified. I think that my hon. friends opposite, in taking this opportunity to cavil at all the imposts that are put upon the country in war times, are catering to the creation of a feeling in this country that we can carry on war and save the Empire and the country and not have to pay anything for it. My right hon. friend (Sir Wilfrid Laurier) congratulated the Minister of Finance on his happy disposal of the war fund. Why, he said, you are right in luck; you are in green pastures; all you had to do was to go to the British Government, and they said: we will lend that to you and you can pay the interest on it. Very good, so far as that goes. But what country in the world to-day—with one exception—is bending under the titanic burden of the provision of finance for this war as Great Britain is bending under it? If it were not that the situation is just as it is, if we had it in our power to raise that $100,000,000 without asking Great Britain to lend it, we should raise it ourselves and pay our quota. But it appears that at the present juncture it is beyond our power to do this. Very well; we accept that financial arrangement and are grateful for it, and we will pay the interest and ultimately pay the principal. But for all these subsidiary and consequential demands, for heaven's sake let us pay up with a cheerful countenance.

But the point is made that these duties put obstacles in the way of trade. Yes, I suppose it is true that every tariff impost, looked at in a certain light, is an obstacle to trade. If you had no tariff duty anywhere, trade would flow free of the imposition of taxes. But the world's experience from the earliest days down to the present time is that even though they be in a sense an obstacle to trade, national policies and the best interests of nations are conserved by employing customs taxes for the raising of revenue—and trade has to take its chances with those obstacles. But what is this new-born virtue against obstacles to trade on the part of hon. gentlemen opposite? They placed obstacles to trade in every tariff they made and in every tariff they supported; if they were put in office to-morrow they would place obstacles to trade again. But these alleged obstacles to trade are simply fractional additions to the obstacles which were put there at one time by hon. gentlemen opposite, and which have not been changed by us from that time until the present hour. So that it is a specious argument to contend that we must not pass this proposed legislation because it is putting an obstacle in the way of trade. Seven and a half per cent and five per cent are a small percentage of tax; therefore they will not be prohibitive. But if a burden is involved, it is there because we are at war and because we must take up cheerfully the payment of a certain proportion, at least in capital, of the financial burden which the war is imposing upon the Empire.

But hon. gentlemen opposite have another objection. They say that at a time when Britain is engaged in such an unparalleled struggle as that which is now taking place, it is not the part of Canada to impose further disadvantages upon British trade. One hon. gentleman—I think it was my right hon. friend—went so far as to say that this phase of the proposal was somewhat after the German conception; that Germany, with her submarines, would destroy what she could of Britain's trade and that Canada would tax the remainder. Hon. gentlemen opposite seem to think that preference is only another name for free trade. Preference is only possible with a protective system. It never was meant to be free trade; it is not now meant to be free trade, and it is not understood in Britain as meaning it is not understood in Britain as meaning free trade. It is simply this: that in the competition amongst the nations of the world for the trade of Canada, Canada gives a degree of preference to Britain which gives Britain an advantage in her bargaining over other com-

petitors. What quarrel have my hon. friends with this disposition of the tariff? $208,000,000 of formerly free goods are to be taxed 7½ and 5 per cent. Up to this moment the British provider of these goods was on an absolute level and equality with the foreign provider of similar goods; under this arrangement, in respect of that $208,000,000 worth of supplies, the British provider gets an added 2½ per cent advantage over the foreign competitor. That is, although there has been an addition to the general rate, the result is that British trade gets by 2 1-2 per cent preference an advantage in scope and efficiency that it never had before. I have no fear at all that the Canadian public or the public outside of Canada will misapprehend the provision that has been made in that respect.

My right hon. friend was lauded as being the father of the preference idea. But he was not the actual father of it. Up to 1896-7 my right hon. friend was a free trader, and he could not be the father of preference through free trade. My right hon. friend had to come into office, forego the principles which he had preached for 17 years and institute a protective system —and even then he was not the real father of preference. What was really done was this: a Bill was brought in under which preferential arrangements, or reciprocal arrangements, whatever you wish to call them, could be made; but they were makable with every nation under the sun; Great Britain was only one of the nations that might come in. I remember that when we argued that under this arrangement Great Britain and her dominions would have no advantage over foreign competitors for our trade, we were met with the reply: there is no pent-up Utica about us; our powers are not confined; our hope is not narrowed; we are in for a world reciprocity, a world preference. Great Britain will come in, of course, but so may 20, 30, 40 other nations, if they can comply with these conditions—and a great many of them could. My right hon. friend was the father of preference by compulsion, because when that Bill was made law he was face to face with the most-favoured-nation treaty obligations. The law lords of Great Britain informed him that there was but one way out of the difficulty. They said: take back all your reciprocity arrangements or name Great Britain specifically and leave out all the others. That was the compulsion which brought about this preference, of which my right hon. friend claims to be the father.

I wish to take up two or three of the arguments advanced by my hon. friend the member for Red Deer (Mr. Michael Clark). I am sorry that he is not present; he is a good antagonist. I listen to him with great pleasure, and I like him to listen to my strictures; but he will read them. If my hon. friend has one failing it is that he is a little bit crazy on protection and free trade—just a little bit; sanely crazy, if you wish me to put an adjective before it. After his speech had been delivered I was walking out of the House and a gentleman who was with me said: "I liked Clark's speech, particularly one part of it." I said: "What was that?" "Why," he said, "it was that part of his speech in which he pleaded that bygones should be bygones; that we have enough questions of the present to take up our time, and that we should not waste our time in travelling the weary reaches of the past." "Well," I said, "that is an admirable sentiment; but if there is one man in the House of Commons who, however much he may commend to us the virtue of not going back to the past, longs for it, runs in it, keeps going back to it again and again, year after year, it is my hon. friend the member for Red Deer." He would very much like that the past should be forgotten, so far as he is concerned, in these economic matters. I was so much mystified the other night when these two gentlemen commenced to talk economics, my hon. friend the Minister of Finance on this side and my hon. friend from Red Deer on the other, and I got into such a perfect haze about it that I felt almost like rising and saying: a plague on both your houses; leave your economics, and just give us plain English commonsense. The hon. member for Red Deer is great on economics, but he falls asleep at times. He wanted us to forget the past, but he himself took the old road from 1878 up to 1896, and traced protection in its deadly course by the trail that the serpent left until he came to the year 1896. Then he lost the trail. After fifteen years he got his breath, made a run, and caught up to the serpent and its trail in 1911, and he traced it along by its trail until this present hour. Oh, yes, my hon. friend forgot a portion of the past then, and he would like us to forget that past. What he could have done was to keep straight on the trail of that serpent from the time his Government got into power until it left, because it was a protectionist Government. Both the serpent and the trail were easy to see by a man who wished to see them. But he felt a little of that possibility, and interjected a

saving clause, which was this, that in 1897 the Laurier Government added 150 articles to the free list. Of course. With free trade you could not add to the free list. In order to be able to add to the free list you must have protection, and it has been the essence of protection from its inception up to the present time that all raw materials that are necessary for the manufacturing of products and which cannot be raised rightly in a country, shall come in free, and so the free list has grown and grown and grown, and as long as protection exists there will be a free list. Why do we not have it now under the new tariff? Because this is a war tax.

My hon. friend also took this thesis: protection is a failure as a revenue raiser. A failure as a revenue raiser? What are the facts of the case? A few minutes afterwards the hon. member for Red Deer got after the Minister of Finance by telling him: You did not raise those three-year surpluses you have been talking about; they were raised by the Laurier Government. How did the Laurier Government raise all the surpluses they had and these three surpluses that they sent on, on an inclined plane, down to my friend the Minister of Finance? By free trade? By reciprocity? By revenue tariff? By land tax? By income tax? Not a bit of it, they raised them by good, old-fashioned protection. So that his own delineation of the rapid rise of the revenues of Canada, with the immense surplus that they had, is an absolute reply to his contention that protection has failed as a revenue producer.

He also says that protection has failed as an industry builder. Has it failed as an industry builder? Let me take one decade under their own administration. In 1901 there was $446,000,000 of capital invested in industries of this country; in 1911, $1,247,000,000. In 1901 the output of our industries was $481,000,000; in 1911 the output was $1,165,000,000. The wages in 1901 were $113,000,000; the wages in 1911 were $241,000,000. The employees at the first date were 339,000; the employees at the second date were 515,000. These are figures from their own census, conducted by themselves, and they do not go to prove the assertion of the hon. member for Red Deer that protection has failed as an industry builder, nor does the common observation of the people of this country. Go to our exhibitions, walk through them, go through our country, walk in its factories, look into its multiplied and varied business, and it is a revelation to a man who has not paid special attention to it to see the excellence, the diversity, the scope and the volume of the industrial building in this country—industrial building under a protective tariff.

But the hon. gentleman goes on to say that protection is a failure as a trade-producer—it does not produce trade; it is the sworn foe to foreign trade. Take Canada itself. We have boasted, and boasted with pardonable pride, of the immense expansion of the trade of the country within the last twenty years, all under a protective tariff. But if you want other testimony let us have it. Here, for instance, is Germany, if you will allow me to take an example from her polity. In 1872 she exported $551,000,000; in 1880, $685,000,000; in 1913, $2,402,000,000. That is the expansion of foreign commerce that Germany had, and Germany was protective to the hilt. You take the United States. In 1870 her exports were $376,000,000; but in 1913 they were $2,428,000,000. The Uited States was and is a protective country and that is the history of its foreign commerce. You take Canada itself. In 1870 her exports were $59,000,000 and in 1913 $355,000,000—all under a protective tariff. Let me take the statistics with reference to manufacturers as an argument in support of my former assertion. The manufactured goods which in 1870 were exported from the United States were $70,000,000; the manufactured goods which were exported from the United States in 1913, were $1,185,000,000. Take Canada. She exported in 1870, of manufactured goods, $2,560,000; she exported in 1913, of manufactured goods, $43,692,000. This does not seem to support my hon. friend in his contention that a protective system is not a producer of trade and is the sworn foe to foreign commerce.

Mr. J. J. HUGHES: What are the figures for Great Britain?

Sir GEORGE FOSTER: I am making an argument with reference to the argument made by the hon. member for Red Deer that protection is the sworn foe to trade and foreign commerce; that is all I am now doing.

But the most singular statement made by the hon. member for Red Deer was that protection is a failure as a fleet builder; that is, protective states do not build fleets. Well, the second largest fleet in the world, on the 1st of August last, was the German fleet, absolutely built under the late years of Germany's protective policy. The next largest fleet, and now, probably, the second fleet in the world, is that of the United States, built by a protected country from funds which were gathered in a pro

tected country. Australia has built a small fleet, which only a few days ago covered itself with glory. Australia is a protected country, too. In fact, if you take the countries of the whole world, the exceptions to big fleets are found in China, in Turkey, in Holland, in Belgium—countries that are free trade or so near to free trade that they cannot be classed among protected countries. This is just a sample of the strange doctrines enunciated by the hon. member for Red Deer, and I thought it was well that they should be brought to the public gaze and counter facts placed against them.

And now, Mr. Speaker, I have kept this House longer than I had expected, and quite too long. I have not finished up with any perfectness some of the arguments I have advanced. I leave, as I know I can well leave, very much to the thought and the deduction of the intelligent members of this House. To them a suggestion is the next best thing to an argument at any time, and sometimes far better than a laboured argument. I have but one word to say in conclusion, and that is this: to-day Canada and the Empire are engaged in a colossal contest, the inner meaning and possible consequences of which not one of us has an adequate idea. But we know that that contest is on. We know that in that contest Britain and the British power is fighting for its very life. You can hear the quick short pants of the contending forces, and you can easily translate that to the breathless vigour of an empire in a series of nations which feel that in this long line of contests they are fighting for their very life. We are in the midst of that war. Our own friends, our brothers, our sons, are there, or soon will be. There is glory on the fighting line, but there is death in the fighting line as well. As we take up our papers from day to day and read that fraction that comes to us, the sorrowful, saddening, and yet glorious fraction of what comes to us, it brings us every day and every hour nearer to some adequate comprehension of the mighty struggle, of the blood and tears and tribulation, through which alone final victory can be won. What I plead for in this House, in this country, everywhere, is that the best of the Canadian Dominion, Liberal as well as Tory, outside of race or of creed or of political faith, may look upon the verities of this war and may learn to value, as in only such cases we can learn to value, the comparative merits of the trivial and of the absolutely important. These things I plead for; and until this war is determined, let us all in this House and in this country, as much as in us lies, bend our backs to the burden, putting behind us what is trivial and not of moment, and facing steadfastly the mighty issue in which the proudest and highest and best of the civilizations that the world has ever developed is fighting for its life and its continuance, in the trenches, and under circumstances of terrible difficulty and peril.

Mr. W. F. CARROLL (South Cape Breton) (resuming): Mr. Speaker, previous to the adjournment of the debate on Friday evening, I was making some comments on the remarks of the hon. gentleman who had just preceded me, the hon. member for Rimouski (Mr. Boulay), and was pointing out that he had made the statement that he thought sufficient would be done for the Empire should this country vote its surplus of revenue over expenditure to the Mother Country and say: Here is what we have to give you as Canada's part in this awful war. I also pointed out that I did not think the hon. member for Rimouski really meant what he said, and that I thought he was, in his innermost heart just as loyal to the Empire as any member in this House. At the same time I believe that he was speaking, as many gentlemen in the ranks opposite have been speaking and will speak, to a certain mouldering spark in the province of Quebec—something which was known in the past as Nationalism, a doctrine held by those who to-day are known as the followers of Henri Bourassa; Henri Bourassa, the ally of the Conservative party in the election of 1911, the man who rumour says had much to do with the formation of the present Cabinet so far as its Quebec representation is concerned. I do not charge the hon. member for Rimouski with disloyalty, but I do say that by his speech here the other night he was attempting to win the same votes in the province of Quebec that the Nationalists won in that province in the election in 1911 by their opposition to the Laurier naval policy. Now, Mr. Speaker, this is the party of Imperialists, and this is the party of Nationalists. We on this side of the House are as one in voting $150,000,000 in supporting Great Britain in this her hour of peril. We on this side of the House do that with our whole heart and soul; and there is not a man on this side of the House, so far as I know, who would say that we should be satisfied in giving to Great Britain as our

mite, our excess of revenue over expenditure. What a magnificent spectacle it would be if Canada's gift to the Empire to-day were simply the money representing our excess of revenue over expenditure! So much for my hon. friend from Rimouski.

The hon. gentleman who has just sat down (Sir George Foster) was, I must say, much milder in his criticism of the Opposition to-day than he was of the Government from 1896 down to 1911. His criticism to-day was much milder than his criticism of this Opposition in 1912-1913. He tells us that, from the outbreak of war down to the special war session in 1914, he was pleased with the attitude of the right hon. gentleman who leads the Opposition in regard to the truce, and from that special war session of 1914 down until the time the right hon. gentleman made his amendment in this House some two or three days ago. Sitting beside the Minister of Trade and Commerce, and a member of the Cabinet in which that hon. gentleman is so brilliant a figure, is the hon. member for East Toronto (Mr. Kemp), who stated the other day, as reported in the press, that there never was a truce and never would be a truce, and that, so far as he is concerned, if there was a truce his tongue would not be tied. The Minister of Trade and Commerce had better look around and try to instil the proper spirit into the hon. member for Rimouski (Mr. Boulay) and the hon. the Minister without portfolio (Mr. Kemp). The hon. gentleman (Sir George Foster) says the leader of the Opposition has broken this truce in that he has moved this amendment to the proposal of the Minister of Finance. He gives a glowing account, as he only can, of the conditions of the truce in Great Britain, and he says that John Redmond on the outbreak of war stepped down from being a Home Rule agitator to advocate throughout the three kingdoms recruiting for the British army. Thank God John Redmond took that course. But let me point out that the right hon. the leader of the Opposition pursued exactly the same course in the province of Quebec. He went to his native province and he exhorted his fellow French Canadians to come to the assistance of the Empire and enlist in the overseas contingent, which they have done gallantly and well. But I have not heard the Minister of Trade and Commerce endeavoured with his eloquence to induce the young men of Ontario and the West and the English-speaking provinces to join the overseas contingent, nor have I heard that the Prime Minister has taken any such a course. The Minister of Trade and Commerce told us that domestic political questions had been laid on the shelf in Great Britain; I regret that the Government of Canada did not follow the example. In Great Britain there has been no adverse criticism of the existing fiscal policy of the country since the death of Mr. Chamberlain. In Canada, since Confederation, there has been a conflict, and I presume there will continue to be a conflict, between the two great parties as to the manner in which revenue should be raised, and it is the most acute domestic political question that has existed here for some years. In face of that the Minister of Finance brings down a proposal to increase the tariff duties, and at a time when the people of this country have no employment or are employed only half time. When the people of our country are walking our streets looking for employment and a bite to eat, and frequenting soup kitchens in Montreal, Vancouver and Toronto, and when the five per cent increase on the British preference and the seven and a half per cent increase on the general tariff is not necessary for war purposes, the Minister of Finance submits this policy to Parliament. The Minister of Trade and Commerce says that the party organs in Great Britain, but not in Canada, are at peace, although he admits that political controversy is not now so pronounced in the press as in the past. May I point out that while that is true, so far as the Liberal press is concerned, the hon. gentleman from South Renfrew (Mr. Graham) has clearly shown that from October and September last until the present time, the Conservative bureau of information has indulged in the most offensive and untruthful political tirades, and has accused our right hon. leader (Sir Wilfrid Laurier) of being a friend of Germany and an enemy of Great Britain. And now, the Minister of Trade and Commerce comes forward to say that because the leader of the Opposition moved this amendment he has broken the truce. Well, it may be a breach of the truce in the mind of the Minister of Trade and Commerce, but with all his eloquence I doubt if he can show that a thing which, according to hon. gentlemen opposite, did not exist, could be broken by the Liberal party.

Before dealing with the question of the tariff changes, I wish to refer to certain statements made by hon. gentlemen opposite as to the attitude taken by the Liberal party in 1909 and 1912 on the

question of Canada's contribution to the naval defence of the Empire. This question is a domestic question, and it was an acute domestic question in these years. I have not heard of the leader of the Opposition, nor of the Prime Minister either, engaging in controversy as to the respective merits of the policies of the Liberal party and of the Conservative party on this question, but since this debate has commenced, from the hon. member for West Peterborough (Mr. Burnham) up to the Minister of Finance, the subject has been discussed in this House, and the Minister of Finance stated in his speech that it would require the right hon. the leader of the Opposition to move very many amendments to the British preference to square his conscience with the stand he took on the naval question. I have no authority to speak for the Liberal party, but I believe I speak for every man within the fold when I say that we have no apology to make for the stand we took in 1909 and again in 1912 on the naval policy of Canada. We certainly were in good company in 1909, because in that year the Minister of Trade and Commerce delivered a very able speech in this House on the subject, and he moved his resolution, which the Liberal Government then in power accepted, and which the Liberal party has since lived up to.

My hon. friends opposite consider it a wise policy. Let me point out that time has vindicated the stand taken by the Liberal party by the fact that for the past few months, in a large industrial centre in this country, there are being built for the British navy ships which the hon. gentlemen in 1912-13 contended could not be constructed in this country within a quarter, yes, within a half of a century. Time has vindicated the stand taken by the Liberal party on another point of its naval attitude; that is, in protecting trade routes. Has it occurred to hon. gentlemen opposite and to the Conservative press and to the Conservative party generally that one of the greatest naval feats performed since the war broke out in August 1914, was the capture of the German ship Emden, the horror and dread of British commerce on the seven seas, by a ship manned by an overseas contingent and maintained by overseas dollars? I refer to the ship Sydney, owned and controlled by the Australian Commonwealth. In these two particulars, time has vindicated the stand that we took, and I believe that time will vindicate every stand that we took on the naval issue in both the discussion of 1909 and that of 1912 in this House. Had our advice been accepted, we would not have been compelled to buy ships from the little country of Chile, a South American republic, which she said were not good enough for her, but which were good enough for Canada; we would be building those ships ourselves.

I have no apology to offer to this House or to this country for what little I may have done in opposing, or in obstructing, if you will, the legislation brought down by the present Government in so far as naval expenditure is concerned. I do not know why the issue has been raised by my hon. friend the member for West Peterborough (Mr. Burnham), and I do not understand the slur cast across the floor of the House by my hon. friend the Minister of Finance in that regard; but whatever stand my hon. friends opposite wish to take, if they want to make it an issue in the next campaign, so far as my constituency is concerned, I want no better issue.

The hon. Minister of Trade and Commerce, in his two hours' speech in this House, attempted to show that, in addition to the $150,000,000, $100,000,000 which we have not yet been asked to vote, although we are discussing it, and although we are told that we are not doing the proper thing because the resolution has not yet been brought down, $30,000,000 or $35,000,000, which it is said the Government will raise from this increased taxation, will be needed for war purposes. What proof has he given us of that? He went on to show how this war had dislocated things in this country; how the borrowing power of Canada abroad was absolutely cut off, and how our producing industries, with the exception of agriculture, were affected by the war. What has that argument to do with the question as to whether or not we require $30,000,000 in addition to the $150,000,000 for war purposes? My hon. friend the Minister of Trade and Commerce was attempting, in his own shrewd, ingenious way, to mislead the people of this country in that regard. He tells us that immigration has been stopped, that exports have declined. Immigration into this country stopped before the war. It practically stopped in 1913, because in 1914, before the war, instead of encouraging immigration, this Government was busily engaged in finding ways and means by which men could be deported from Canada. So far as I have been able to follow the hon. Minister of Trade and Commerce, I have not been shown how this $30,000,000 is required for war purposes. When he comes to the end of his speech, he suggests to the House that this $30,000,000 is not

required for war purposes, because, he tells us, the real hardship, the real trouble, the real danger, is in home affairs. We have some $80,000,000 of a deficit to meet, and if we do not increase taxation, how are we to meet it? As far as the war is concerned, we are well supplied. We can go to the Mother Country and borrow $100,000,000; but there is a condition at home to be met, a condition of depression of trade brought on, not so much by extravagance as by the failure on the part of hon. gentlemen opposite to have a shrewd foresight as to what was going to happen in this country.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

Mr. CARROLL: The Hon. Minister of Trade and Commerce deprecated the bringing out of issues which, as he said, exist between the two great parties in this country. I am afraid he did something worse. He went to the national closet of discarded things, and opening the door brought forth something resembling a skeleton and labelled "Free trade." This he stood on the floor and began to throw stones at it, as if free trade were a part of the policy of the Liberal party. He forgets that in 1894 the Liberal party laid down a fiscal platform which was, tariff for revenue purposes. The Liberal party had been defeated in the election of 1891 on the issue of free trade as it is in England. When they came into power in 1896 it was not on a policy of free trade as it is in England, but on a policy of tariff for revenue purposes. So, when the minister brings forth free trade and contrasts it with protection he is doing something worse than that which he charges against the Liberal party in this House, the discussion of issues that exist between the two parties. As I have said the Liberals came into power in 1896. We have it on the authority of the Minister of Trade and Commerce that they placed 150 articles on the free list and that on many other articles they reduced the duties. So far as I can see, they fulfilled their pledge of tariff reform and a tariff for revenue purposes. But suppose that the argument of the hon. gentleman is right, and that the Liberal party when it came into power did conform to the policy of the Conservative party, that it did copy the protective tariff and did carry out in its fulness the National Policy. Does it not, then, occur to my hon. friend and to his supporters how much greater a success the Liberal party made—on their own showing—of the National Policy than did the friends of that policy, the Conservative party? We have it on the authority of the Minister of Trade and Commerce that between 1901 and 1911 the commerce of Canada expanded to a wonderful extent, that capital flowed into this country in unprecedented volume, and that the salaries paid out to the labouring men of this country trebled, and trebled, and trebled again. According to what the minister himself tells us the National Policy was worked out with greater success by the Liberals than by its fosterfathers and pretended friends on the other side of the House.

The Minister of Trade and Commerce asked a question of my hon. friend from Red Deer (Mr. Michael Clark). If there is one thing that especially distinguishes my hon. friend from Red Deer it is his consistency in upholding the principle of free trade. His principle was the same when the present leader of the Opposition (Sir Wilfrid Laurier) was in power as to-day. The Minister of Trade and Commerce asked the hon. member for Red Deer what would be the condition in Canada to-day if a free trade policy were in effect. I dare say that if my hon. friend from Red Deer were in his seat he would ask the Minister of Trade and Commerce what would be the condition of affairs in England to-day if a protective policy were in effect there. Under a high protective policy in this country we are unable to raise a hundred millions to send across to help the Mother Country in her stress. On the contrary, we go to that free trade country and borrow fifty millions, and now we are going to borrow a hundred millions more. These arguments pro and con on protection and free trade, while the matter is not an issue between the political parties, show that much may be said in favour of free trade as against protection.

The hon. minister deplores extravagance in individuals and hates extravagance in Governments. Does it occur to the hon. gentleman that there is a difference between the extravagance, whether of an individual or a Government, who spends more money than is being taken in, and the extravagance, as he calls it, of a Government that, from 1896 until 1911, lived well within its means and had surplus after surplus all those years. In the time when the Minister of Trade and Commerce was Finance Minister, he had deficits, deficits, deficits! The Liberal party came into power and all that was changed, and

that on a lower tariff basis. So, the argument put by the minister is, after all, not so strong as he would have this House believe it to be.

Some hon. gentlemen in this House think that, because we were willing last year to vote fifty millions without a dissenting voice to assist in carrying on the present war, and because we are ready to vote a hundred million without a dissenting voice —or if there be a dissenting voice it is found on the other side of the Chamber—they think that, forsooth, we should not criticise any proposals brought down by the Government under which they expect and intend to raise certain money which they label "War taxes." During the extra session of Parliament in August last, I took the ground, in a very short speech in this House, that this Government should not increase the tariff on the foodstuffs and clothing of the people. I gave my reasons at that time, and I stand on the same ground to-day. I pointed out that there were other ways of raising revenue besides imposing taxes upon the bread and the meat which are the food of the people and upon the shoes and clothing that they wear. I pointed out then—of course I do not say that the Minister of Finance followed me—that stamp taxes of various kinds would be the best means of raising revenue. We are told that we are doing wrong because we dare to criticise the manner in which the Minister of Finance is raising the new revenues which he labels "War taxes." And the hon. member for West Peterborough (Mr. Burnham), in his speech of a few nights ago, said there were plenty of things in this world that could be criticised, and that the Liberal party in this House, instead of criticising the tariff of the Minister of Finance, should criticise some of these other things—for instance, the earthquake in Italy, and things of that nature. I believe that the tariff proposals of the Government, if given effect to, will be as disastrous in their results upon the people of Canada as the earthquake in Italy was to the parties immediately affected. And, so far as I am concerned, I feel it my duty —and I am sincere and honest in this,—I feel that I am voicing the feeling of my constituency from one end to the other—to criticise and oppose this tariff brought down by the Minister of Finance.

Let us come to close quarters on the question as to whether or not these proposals are necessary to raise a revenue for Canada's participation in the war. Let us face the issue fairly and squarely. My hon. friend the Minister of Finance has said that $6,000,000 are necessary for the payment of interest on the $150,000,000 and that $3,000,000 are necessary to form the nucleus of a pension fund; a total of $9,000,000. The Minister of Finance says further that an additional revenue of $40,000,000 will be raised by the imposition of these taxes. Will some hon. gentleman on the other side of the House show me how the $31,000,000 are going to be used for war purposes? The Minister of Trade and Commerce spoke to-day as if there were some secret in connection with the disposition of this amount. If there are other purposes for which these $31,000,000 are going to be used, why does not the Government take gentlemen on this side of the House into their confidence? What is the use of telling us that $40,000,000 are absolutely necessary to carry on the war so far as Canada is concerned when the greatest necessity hon. gentlemen can show is that of $6,000,000 for interest and $3,000,000 for pension fund? Where is the remainder going? I repeat that I invite some hon. gentleman on the other side of the House to show me in what way these $31,000,000 are going to be used for war purposes.

The first of the three ways in which the Finance Minister expects to raise additional revenue is the imposition of special taxes upon banks, trust companies and certain insurance companies. I am perfectly in accord with the Minister of Finance in the matter of a tax for war purposes—or for the raising of any legitimate revenue—upon banks, trust and loan companies and insurance companies. Hon. gentlemen on the other side of the House tell us that the big interests, the big corporations, the wealthy people of this country, are the people who are going to pay these extra taxes. I think I can show them that that is not the fact. Banks, trust companies and insurance companies are the only corporations that are taxed; they are the only wealthy people who are subjected to taxation. Does the Finance Minister propose to tax telegraph and cable companies? He does not. He says that every telegram originating in Canada shall bear a tax of so many cents, and he gives the companies authority to charge the additional toll and to collect the same from the person sending the telegram. Why does he not impose a tax upon telegraph and cable companies?

Then we come to the railway companies. If there is one class of corporation in this country that might fairly be taxed; if there

is one class of corporation that has been waxing rich at the expense of this country, it is the railway corporation. Against railway corporations I have nothing to say; they are doing great good; they are helping to develop the country. But in such a time of stress as this, when, as my hon. friend says, the rich interests of Canada are being taxed, why are the railway companies subjected to not one cent of extra taxation? It is true that every purchaser of a berth in a railway car, every purchaser of a chair in a parlour car and every purchaser of a railway ticket must pay a tax. I do not complain about that; if I have any fault to find it is that the minister should have exempted purchasers of second-class tickets from this tax, because, as a general rule, they are not able to pay. But has it occurred to the Minister of Finance that the railways go scot free in this matter? The same applies to steamship and steamboat companies. Any one buying a steamboat ticket must pay an extra tax into the treasury; against that I do not object. But has it occurred to the friends of the Minister of Finance that the steamboat companies, many of which are heavily subsidized by the Government, are not paying one cent into the Canadian treasury by way of extra taxation? Let it not be heard again, then, that the big corporations and the rich people of Canada are bearing the brunt of this special taxation.

I am perfectly in accord with the imposition of a stamp tax on checks, receipts and deposit receipts. As to the extra rate on letters and post cards, I do not think that will be burdensome to the people, but I would rather see the Minister of Finance go back to the time previous to 1896 when we had a three-cent rate, which would not be so inconvenient to the people as the proposed method.

I wish to point out that proprietary and patent medicine is the only article of commerce which bears a stamp tax. Proprietary and patent medicines are subject to an increased tariff of 7½ and 5 per cent, and in addition must bear a stamp tax which will amount in the aggregate to a very large sum. I do not think that this is quite fair; the Minister of Finance went far enough when he proposed a 7½ rate upon proprietary and patent medicines coming into Canada. I have received many protests by telegram and letter against this proposed stamp tax, and I hope that the minister, before he brings down the Bill which will crystalize these proposals into legislation, will consider the advisability of making a change in his proposals so far as proprietary and patent medicines are concerned. On every bottle or package which costs ten cents or less the tax will be one cent, and one cent for each ten cents of retail price. I think that goes too far. Public opinion has been directed against patent medicines manufacturers and dealers, but I think that we are now getting a better class of patent medicines than we were getting in years past. They are, after all, medicines which the poor man uses extensively. If he goes to the doctor to get something for his cold or bronchitis, the doctor will charge him one or two dollars, and in addition he will have to go to the drug store and pay for medicine. But if he goes to the drug store in the first place, he gets the patent medicine without paying doctor's fees, and in some cases his distress is relieved just as effectively as if he had obtained a prescription from the doctor.

There is some doubt as to whether or not this stamp tax will increase the revenue of the country. I think it has already been pointed out that in 1896, the year in which the late Conservative Administration went out of power, the then Finance Minister, now the Minister of Trade and Commerce (Sir George Foster), was approached by delegations with a view to the introduction of an imperial penny postage rate of two cents; but in his Budget speech of 1896 the hon. gentleman referred to the subject in this way:

> There is now a deficit of nearly $800,000 between the total receipts and total expenditures from post office services and this I fear makes the time somewhat distant when what otherwise might be fairly asked for might be granted, that is a reduction upon postage rates in this country.

What happened? In June of the same year—the Budget was delivered in April—my right hon. friend who now leads the Opposition (Sir Wilfrid Laurier) led the Liberal forces in this country to success and formed a Government. In 1897, or possibly in 1896, Mr. Mulock, now Sir William Mulock, the then Postmaster General, introduced the imperial penny postage. In 1896, when the then Finance Minister said they could not afford to give reduced rates of postage, what was the condition of the Post Office Department? In that year they had a deficit of over $800,000; but from the time the imperial penny postage was introduced by Sir William Mulock there were surplusses in the Post Office Depart-

ment, some of which ran as high as $1,000,000. You know it may be freely said that it is questionable whether or not this stamp tax, although I do not oppose it, is going to be effective for the purpose for which it is being placed on the statute book.

Coming now to the horizontal increase of 7½ per cent in the tariff, what do we find? As I said, in the August session I took the ground, as forcibly and as briefly as I could, that this Government should not, in endeavouring to raise extra revenue, tax the food-stuffs and clothing of the people. I still take that stand, but the Government have made scarcely any exceptions except flour, and there were reasons why they excepted flour. The grain of the country, last year's crop of grain, has been hoarded up by the financial interests, the millers of this country, and they are making all the profit they dare make and face the people of this country. So the Minister of Finance could not very well impose an extra duty on flour, in view of the fact that it is up to $9 a barrel, although a few years ago you could get the same brand for $5. I think the Government of this country should take some stand to prohibit the exorbitant prices the people are paying for flour. The farmers are not getting anything extra for their grain, while the people of the country are paying exorbitant prices for their flour, and the people of England, to whose assistance we are flying, are paying more for food-stuffs than ever before. But that was the only article of food which was exempted from the horizontal tax of 7½ per cent. Are the Government going to get revenue from it? Let us consider the probabilities in relation to certain kinds of food. Take meats. In 1910 the production of meat in Canada by packers and others was $48,527,000, and this does not include the slaughtering of cattle by farmers. Our imports in that year of cattle, hogs and sheep amounted to $440,000; and in 1914 the imports of cattle, sheep and hogs amounted to $950,000, so that it is evident that my hon. friend the Minister of Finance cannot hope to get very much revenue from this tax imposition. Take imports of meats. In 1910 the imports of meats were $2,281,119, and in 1914 they were $5,257,853. What will be the result of imposing this tax on meat, cattle, hogs and sheep? It will simply mean that the large packers who control the price of cattle, hogs and sheep will set whatever price they choose and that price will be the price current for that article throughout Canada. At the same time they will take advantage of the high tariff and will be able to add 7½ per cent or 10 per cent or 15 per cent to the price of their products, and the people of this country will have to pay this amount while the treasury will not benefit. The same thing may be said of butter and cheese. The butter production in 1910 was $15,000,000 and the cheese production $21,587,000. The imports for 1910 of butter and cheese aggregated, I believe, $475,000. You can see that the revenue of this country will derive very little from a duty on butter and cheese. What will be the result? Those who control the food products of this country, the wholesalers, will be able to gather up the butter and cheese and take advantage of the increase of tariff duties to increase the price of butter and cheese, with the same result as I mentioned in the case of cattle; they will get the benefit in increased prices, but the farmers will not get any benefit because, after all, the wholesalers make the prices and the farmers do not benefit. The people of this country will have to pay an additional price for butter and for cheese. The same thing applies to cereals, prepared foods, oatmeal, Quaker oats and breakfast foods, most of which are manufactured in this country. As they are manufactured in this country an added duty will not produce additional revenue but will enable the manufacturers to raise the price to an exorbitant and almost prohibitive figure. On canned meats it may be possible to derive a little additional revenue as we import them more largely. Some hon. members may say and, as a matter of fact, I think the Minister of Finance made the statement, that the manufacturers and wholesalers are a charitably disposed class of people, who are not going to take advantage of the increase in tariff in order to place an added burden upon the people in the way of increased price. That is a very beautiful theory. The Minister of Finance may have that estimate of the wholesale dealers and manufacturers, but let me point out that his speech had hardly been taken down by the Hansard reporters in this House when the prices of products went up in this country 5, 10, 15, or 20 per cent. You ask me for the evidence? I have the evidence. Take underwear, for instance. On the 23rd day of February, 1915, Dr. Jaeger's Sanitary Woollen System Company, of Montreal, issued the following letter, marked "Advanced prices":

Dear Sir,—We desire to call your attention to the enclosed gummed slip for attaching to our catalogue. We shall be glad to mail you sufficient of these if you will advise us how many catalogues you have on hand.

For your guidance advances range from: on fancy goods and hosiery, 10 per cent to 20 per cent; on underwear, about 10 per cent.

So that the very moment the Finance Minister and his friends behind him were telling this House and the country that the manufacturers were charitably disposed towards the consumers of Canada, and would not unduly take advantage of this tariff increase, the largest manufacturers of underwear, fancy goods and hosiery in this country were sending out to their customers a notice that they were going to advance the price of fancy goods and hosiery from 10 to 20 per cent and the price of underwear about 10 per cent. The gummed slip referred to reads as follows:

Notice. Owing to war conditions all prices in this catalogue are subject to advance without notice. Prices will be maintained whenever possible and orders filled at lowest rates.
Dr. Jaeger's Sanitary Woollen System Co., Limited.
Montreal, February 1, 1915.

Mr. GRAY: Has the price of raw wool advanced very much owing to the war?

Mr. CARROLL: I presume that it has. I thought my hon. friend was going to ask a question about the gummed slip. I am meeting the arguments advanced by the Minister of Trade and Commerce and his friends behind him, that the manufacturers of this country would not take advantage of the increase of duties to unduly enhance the prices of their manufactured goods. Had I time I would go into the question of the manufacture into the finished product of the raw material imported into this country, and consider how much manufacturers of underwear for example, are entitled to get after paying the increased duty on wool and other raw material; but I presume that somebody else will take up that question. To continue: at that very time also the Ideal Bedding Company, of Toronto, makers of brass and iron beds, wire mattresses, spring beds, institution beds, cots, cribs, steel couch beds, mixed and felt mattresses, etc., issued the following letter from Toronto, dated February 26, 1915:

Gentlemen,—We thank you for your order of the 22nd instant, and take pleasure in entering same at our present prices as indicated in circular letter which was sent out to you recently.
Our price list is now under revision and will be issued early in March. Owing to tariff changes, prices will be advanced ranging from 5 to 12½ per cent.

So that this manufacturing firm is not charitably disposed towards the consumers of this country; and they do not hide the fact, for they say in language bold and plain that their increase will be from 5 to 12½ per cent, and that it is due to the tariff changes. I have another circular in my hand, dated February 15, 1915, issued by Staunton's, Limited. It is headed, "Notice of Advance in Prices," and says:

Dear Sir,—Please note that on August 28th last, we were forced to advance prices on certain patterns as per particulars noted hereunder. Since that date all orders have been booked at the new figures which will apply also to all repeat orders you may send to us.
In view of the still further advances in cost of manufacture, due to the new war duties and taxes, we may be forced to make other changes in prices and have to notify you that all prices are subject to change without notice.

And then he gives a lot of figures apparently about wall paper, so I suppose this firm is in the paper manufacturing industry. In addition to that, I have had placed in my hands a communication from a retail dealer in one of the maritime provinces stating that between March 1 and March 15, he would advance the price of boots and shoes by 5 per cent, and rubbers by from 5 to 10 per cent. That is another instance of how charitably disposed the manufacturers are to the consumers of this country.

As I have said, if some hon. gentlemen opposite can show me that this $40,000,000 which the Finance Minister proposes to raise by his new taxation is going to be devoted to war purposes, I will withdraw every word I have said against these taxes. But this money is not going for war purposes. The very extreme limit, as was pointed out by my hon. friend the Minister of Trade and Commerce this afternoon, is $9,000,000; $6,000,000 for interest, but perhaps that was a trifle low, and $3,000,000 for the nucleus of a pension fund. That makes $9,000,000. What is going to become of the other $31,000,000? It is going to be used to make up the deficit of the present Administration; and there is no use denying that fact. Hon. gentlemen opposite have spoken of extravagance and reckless expenditure. The Minister of Finance told us that the late Administration had left a burden upon his shoulders. He said: it is true that when we came into power we found some money in the treasury, but very many liabilities. Well, Mr. Speaker, the only distinction I can see between the administration of the two parties is that now there is no money in the treasury, and very many more liabilities. And what is the cause? Let any man in this country sit down for just a moment

and consider that the Liberal Government from 1897 down to 1911 could meet all the ordinary expenses of this country and have no deficit, whereas it took the gentlemen who now control the destinies of this country only three years to make a change in all that. That is something which the people of this country should consider, and we are here to assist them in solving that problem.

Let us look at the Public Accounts. On pages 20 and 21 of the Public Accounts for the year ended March 31, 1914, it is shown that during the extraordinary period of expansion between 1896 and 1911, when the Laurier Government was in power and Mr. Fielding Minister of Finance, the increased expenditure chargeable to consolidated fund was never greater than $8,000,000 in any one year. The ordinary expenditure of the Laurier Government during the last four years was as follows: In 1908, $76,641,000; in 1909, $84,064,000; in 1910, $79,411,000; and in 1911, $87,740,000. The Conservative Government came into power in 1911, and became responsible for the expenditure of the year ended March 31, 1913. If there was extravagance in the Estimates brought down by Mr. Fielding in 1911, that was the time for my hon. friend the Minister of Trade and Commerce to strike his pen through those Estimates and to reduce the extravagance which he said existed under the former Government. If there was extravagance under the late Government it existed more in the year 1911 than before that time, and yet the present Government instead of cutting down the Estimates prepared by Mr. Fielding in 1911 presented them to this House in the session of 1912, and passed them item by item. In 1912 the expenditure on Consolidated Revenue Fund Account was $98,161,000, in 1913 it went up to $112,059,000, and in 1914 it reached the great sum of $127,384,000. If it was extravagance on the part of the Liberal Government in 1911 to expend $87,000,000 is there any word in the dictionary—and if there is the Minister of Finance will find it because he is an expert in using extravagant adjectives—which would adequately describe the extravagance of this Government in 1914 when it expended $127,000,000? The Minister of Finance estimates that on March 31, 1915, the expenditure will be $140,000,000, that it will require the same sum for the financial year 1916. The question naturally arises as to whether this Government has done as much for the people of this country through this huge expenditure as was done by their predecessors in office with a much less expenditure? I do not believe it has. If the prediction of the Finance Minister comes true that he will get $40,000,000 from this extra taxation then it will mean an additional tax of $6.14 on every man, woman and child in Canada. The Government expects to get from this extra taxation $31,000,000 which most undoubtedly does not go for war purposes, and even then they will be in the hole some $50,000,000. Let us look at where those additional expenditures went. Surely there is not a man on either side who will say that there was not more railway construction in Canada between 1904 and 1912 than there has been spent since but let me contrast the expenditure by the Liberal and Conservative Governments, on railway subsidies. During their fifteen years in power the Liberals granted railway subsidies totalling $25,140,000, and then the party of retrenchment came in and during the three years 1912, 1913 and 1914 they granted railway subsidies totalling $24,830,000, or almost as much in three years as was spent on this account during the fifteen years of the Liberal Government. There is at least one item among the railway subsidies granted by the present Government for which no defence can be offered and that is the subsidy to the Timiskaming and Northern Ontario Railway Company, an Ontario government-owned railway, a railway built and operated by the Ontario Government and which at the time was paying good dividends. To this railway the Conservative Government doled out subsidies aggregating about $2,000,000 and I defy any man in this House to defend that transaction.

There has been considerable discussion in this House as to the advisability of the great increase in the Civil Service of this country, but no one has been able to make out that the work of the country has developed with such immeasurable strides during the past three years that it requires 10,000 civil servants more than we had in 1911. Certainly the people from the part of the country from which I come have the idea that this Government is not doing as much for the people as their predecessors did, and they fail to understand how it requires an addition of 10,000 more civil servants to man the public offices.

I would not perhaps so much blame the Government for their extravagance since 1911 under ordinary conditions, but we have been told in this debate, and we were told by the Prime Minister in 1912, that war

with Germany was imminent. He told us that he heard the thunder of the guns, and that he saw the war clouds on the horizon and Germany in conflict against Great Britain and her Allies. Endowed with such foresight, was not that the time for the right hon. gentleman to take to retrenchment and put an end to extravagance? To-day the Minister of Trade and Commerce told us that the war came suddenly as a thunderbolt from the sky, but the Prime Minister told us that he saw it coming three years ago, and I leave these two gentlemen to reconcile their difference between themselves. Before the Conservative Government came into power in 1911 the Prime Minister said that the increase in what is known as ordinary controllable expenditure from $36,000,000 in 1896 to $87,000,000 in 1907 was proof of extravagance beyond any possible defence. If the right hon. gentleman was in earnest in making that statement he should have bridled the extravagance of his Government when it came to power, but he did nothing of the kind. It is clear that he made no effort to control the extravagance and unbridled expenditure of his Government.

There are a few other observations I wish to make before closing. My hon. friend from South Toronto (Mr. Macdonell), in replying to my hon. friend from Halifax (Mr. A. K. Maclean), said that the labour men of this country were favourable to the proposals of the Minister of Finance in his Budget. I do not pretend to know what authority the hon. member had to make that statement. He probably had the authority of the Canadian Manufacturers' Association; but he certainly did not have the authority of the labour people of this country. With the prices of foodstuffs and the price of clothing going up, as I can prove by letters of manufacturers, with unemployment and hard times, with the trades-people of this country working only half time, it cannot reasonably be expected that they will bow down and say: burden us up some more, Mr. Minister of Finance; it is true that we are making only half the money that we were making more than three years ago; but go ahead, we can stand more burdens to-day with one dollar than we could then with two dollars. I do not believe that the hon. member for South Toronto had any authority to speak for the labouring people of this country. I do not believe that they are in favour of these proposals in so far as taxation on foodstuffs and clothing is concerned, and I do not blame them for not agreeing to the motion.

There is no class of people more anxious and willing to pay the legitimate demands of taxation than the miners and steel workers and fishermen of Nova Scotia. They are willing to pay those taxes and to undergo those burdens when they have the capacity to do so; but is it fair to ask them and other similarly situated labourers throughout the length and breadth of this land to pay an increased taxation, ranging from 5 per cent to 12 per cent, on the bite of food they eat and on the mite of clothing they put on their bodies, when they are earning half the wages that they earned three years ago? The labouring people of this country are not going to stand for such a thing. We are told: oh, the farmers of the West are reaping benefits from this war; they are getting handsome prices for their wheat. The moment they get those prices, the Minister of Finance comes around with a hat and says: Mr. Farmer, you are getting an enhanced price for your wheat on account of the war, and you must contribute a portion of your profits to the Government. He increases the taxes to all the consumers of this country; but he lets the railway and cable and telegraph corporations and the great steamboat companies of the country go without one bit of taxation.

Mr. CARVELL: No passing of the hat with him; he takes a club.

Mr. CARROLL: I was putting it mildly. As far as voting the $150,000,000 for war purposes to assist the Motherland concerned, there is no dissentient voice on this side of the House. The Minister of Trade and Commerce need not plead with us; he need not tell us what the result of this war has been on the commerce of this country in order to get us to vote this money. We will vote it freely and we are willing to vote twice as much if necessary; but we call a halt when the people of this country are asked to be taxed $31,000,000 over and above what is necessary to carry on the war.

Some hon. gentlemen opposite, in the press and on the floor of the House, seek to spread the idea that we on this side of the House are not patriotic, that we are not loyal to the Motherland. I am not going to use much breath in combatting that idea. All I can say is that many of us have sent our brothers or our sons to the front, and that they are now fighting in the trenches in defence of that Motherland. Surely it is weakness on the part of any public man or

of any newspaper in this country to cast aspersions and slurs at my right hon. friend and the people who support him and the people who are so loyally supporting the Government in voting this $150,000,000. There is in this country a class of politicians that I would like to call political snipers, who, so to speak, are trying to bring down the reputation for patriotism and loyalty that has always characterized my right hon. friend the leader of the Opposition. Statements have appeared in the press and circulars have been sent out of this House, at least to one constituency of which I know in the province of Manitoba, to impress upon this country that we, the Liberal party, headed by our right hon. leader, are against doing anything for the Motherland. I would like to number amongst those political snipers and to make their chieftain the hon. member for Kings and Albert (Mr. Fowler). At a meeting held a day or two ago in the city of Ottawa, he made this remark, which is worthy of the hon. gentleman:

9 p.m.

> He said that Hon. Dr. Beland, who is now a prisoner in Belgium, did not go to Belgium to take part in the war, but to get a wife. If he had been in Canada when the war broke out, he might and might not have volunteered to go to the front.

I acknowledge that I am a partisan; but I think that no hon. gentleman on this side of the House and that very few hon. gentlemen on the other side would get up in a public meeting in the city of Ottawa or elsewhere and make such a remark about a political adversary as was made by the hon. member for Kings and Albert. Dr. Beland is to-day a prisoner of war, captured by the Germans. Previous to that he was made a lieutenant-colonel by the hon. Minister of Militia. No one knows better than the hon. Minister of Militia and few know better than my hon. friend the member for Kings and Albert that, if Dr. Beland had not been captured, he would to-day have been giving relief to the stricken people of Belgium and to the stricken soldiers of Great Britain and her allies. I speak of this only to show how small some people can become when they want to create an unfavourable impression against their political opponents. Let us hope that those Canadian political snipers will have the same effect in lowering the esteem for my right hon. leader amongst the people of this country as the German snipers will have in lowering the prestige and power of Great Britain in the trenches of Flanders.

We are voting $150,000,000 towards helping our Motherland to carry on this war. This Government would be well advised if it would take into consideration and put into effect some system whereby it could at the present time give some aid to the stricken Belgians. Perhaps we in this country do not appreciate what the little Belgian army has done for us. Perhaps we do not appreciate that at Liège the Belgian army saved France, and by saving France saved England, and by saving England saved Canada from the impress of Prussian militarism. Belgium could have made a formal protest against the breach of her neutrality by the German forces. She would not have lessened her honour amongst the nations of the world by doing so, because she was scarcely large enough to do anything more formidable than that. She chose, without a moment's hesitation, the nobler part, and sent her little bands of soldiers to confront the hordes of oncoming Germans. She held them at bay for weeks, until France was able to recruit her army and England was ready for action. Had it not been for this, few of us can comprehend what might have happened in this world before this time. France would have been crushed; Russia would have been overcome before she had had time to mobilize, and the British Empire, perhaps, left to fight a lone struggle for existence. But she did all this at awful sacrifice to herself. Her cities were ravaged, her cornfields destroyed, her women and children killed. To-day she is getting some little assistance from Canadians individually. In Nova Scotia we carried on a movement to send supplies and clothing to the stricken Belgians. But individual effort cannot do for Belgians all that Canada can do for them. We have an organized Government, and I hope we have unlimited credit. I believe the Government would be well advised if, in voting this $100,000,000, they would add $1,000,000 or $2,000,000—and borrow it in the old land if necessary—to assist the Belgians and to procure for them food and clothing. I simply throw out this hint. I will vote for such an appropriation as gladly and cordially as I will vote for the passing of the hundred million dollars.

Mr. JOSEPH A. DESCARRIES (Jacques-Cartier) (Translation): Mr. Speaker, for a new member to rise for the first time in this House and address his fellow-members is always a solemn moment. For that reason

my thanks are due my honourable friends for their so kind reception, and their applause is for me an encouragement.

True it is, Mr. Speaker, that I am one of the youngest members of this House, but bygone years have already left their snows on my head, and on such an occasion, I must not allow shyness to get the best of me. My plain task is to perform my duty as member for the beautiful and important riding of Jacques-Cartier, the electors of which have sent me here as their representative.

At the outset, I must be allowed, Mr. Speaker, to recall with deep feeling the memory of the statesman, of the distinguished gentleman, who was the ex-minister of Public Works, the Hon. Mr. Monk, who had been given by the electors of Jacques-Cartier a mandate, which at their request I am here to continue. The genial manners, the talent and the love of study which were characteristic of the ex-minister are still remembered by all the hon. members. A single word may typify his whole career: he was a man who kept faith.

Now, Mr. Speaker, it is as representative of Jacques-Cartier, that I intend to enter into the debate which has engaged the attention of the House during four long weeks, on the subject of the budget, as laid down in the speech of the Hon. the Minister of Finance (Mr. White). Before and up to that speech, there seemed to exist an admirable consensus of opinion between the two great parties that face each other in this House.

Last August a special session of Parliament was called, and there prevailed the most perfect harmony. The members on both sides were at one in their enthusiasm to vote the budget submitted for their approval, a budget rendered necessary by the war, to enable aid to be sent, on behalf of Canada, to the British Empire.

What then has happened since that day to break the political truce between the two parties? Has the Hon. the Minister of Militia (Mr. Hughes) wasted the lives of Canada's youth, of the soldiers sent to the defence of the Empire? Have the moneys voted by the House been diverted from their object? Nothing of the sort has been alleged, but on the contrary flattering expressions of approval have been bestowed on the Hon. the Minister of Militia. His ardour in the performance of his task has been praised and wonder has been expressed at his success, in, within a few weeks, raising almost a whole army which was sent to France and England to aid in repelling the enemy intent on conquering first Belgium and then France, the French Canadian's original motherland.

Our soldiers on the battle line have excited the admiration of old veterans for Canadian courage and valour.

What then is the reason of it all? Our friends on the other side of the House, while protesting loudly their patriotism and their desire to assist the Motherland, are profuse and bitter in their complaints against the Government. They have been seized with a hankering for power in the very turmoil of the war. At a time when Great Britain has need of our assistance, and the Administration must dispose of all its forces, these gentlemen are attempting to storm the fortress of Government, and get into power. To obtain their end, they censure the Government who, they claim, intend to impose on the people oppressive taxation while providing for little revenue, And instead of fostering trade with Great Britain, the Government hampers it by an increase in the preferential tariff. According to their contention, patriotism is unknown in the ministerial ranks, and the Opposition have a monopoly of enthusiasm. The Government seemingly has done nothing and its overthrow has become a necessity.

What arguments are put forth in support of their views? They may be summarized in a few words: First of all, there is no necessity for further taxation. Our present revenue would be sufficient to meet the required expenditure, had not the Conservative Government been spending so lavishly. Put a stop to all this extravagance; let the expenditure be cut down and equilibrium will be restored between revenue and expenditure. Such is their first argument. The second is that our financial difficulties are not the result of the war. The third is that the new method of taxation proposed by the Government is based neither on justice nor on scientific principles. Fourthly, these gentlemen contend that there should be no increase in the preferential tariff favouring Great Britain.

As a young member, it is not my part to search the records of this House in order to furnish all the details and figures in regard to this question. It will be sufficient for me to outline in a general way my views on the few points which I have raised. Is the Government guilty of extravagance? So these gentlemen claim, but is it a fact? It

is the people's right to enquire into the truth of this statement and it is the right of the people's representatives to find out if the Government has really been prodigal of the public money as is asserted by these gentlemen. If the Government has thus been lavish, it should not be kept in power. Let us therefore examine if such is the case.

What heritage have the Liberals left behind them when they had to relinquish the reins of power? Had not indeed their successors to face thousands of millions of obligations both direct and indirect? And first what of the Transcontinental Railway? That section from Moncton to Winnipeg was to cost only $60,000,000 and, as stated by the hon. leader of the Opposition only $13,000,000 if only the interest were taken into account. Now, this railway alone has cost at least $200,000,000. Nor is that all. Has not the Liberal Government guaranteed bonds to the extent of $125,000,000? They say we have been extravagant. But in 1896, when our political opponents came into power, has not the hon. leader of the Opposition, who is in the same position to-day, been heard to exclaim in this House and before the people, when the public expenditure amounted to only about $40,000,000, that it was extravagant? Then, addressing the people and the members of this House, did he not say: Put us into power; give us an opportunity of governing the country and the cost of the public administration will be reduced by $3,000,000. Now, what happened? In a few years, the Liberals had increased the annual expenditure to nearly $100,000,000.

Is the increase in the expenditure a sufficient reason to charge the Government with extravagance? If such is the case and such is their reasoning, then it spells the condemnation of the late Government's policy. But an imputation of that kind requires for its justification something more than a bare statement: it must be proven to be well founded. It must be shown in what case there has been extravagance, what retrenchment should have been made, what particular item was unnecessary. Now, none of the members opposite has shown that to be the case. Has any one even attempted to do so? No, Mr. Speaker.

The Conservative Administration is taxed with extravagance; but how comes it that during the three years of Conservative rule a greater surplus was realized by this Government than was ever shown by any previous Administration. In 1911-1912, the surplus was $38,000,000; in 1912-1913, $56,000,000; in 1913-1914, $36,000,000: a total in round numbers of $130,000,000 in three years.

Unfortunately, Mr. Speaker, the previous Liberal Government had dug an abyss. During these same years, from 1912 to 1915, the Conservatives had to pay, for undertakings of the Liberal regime, the following sums: for the Transcontinental Railway, $56,000,000; for the Hudson Bay Railway, $9,000,000; for the Quebec bridge, $10,000,000. These amounts make up a total of $75,000,000. Nor is that all: to make up for the deficiency in the price realized on the sale of the bonds of the Grand Trunk Pacific Railway, $5,000,000; for the purchase of the debentures of the Grand Trunk Pacific, $33,000,000; to complete the line, $15,000,000.

We are called extravagant: but who has been guilty of extravagance, Mr. Speaker? Let us consider the national debt from the 30th of September, 1911, to the 31st of July, 1914. Under the present Administration there was an increase of the national debt of only 8 millions. Before the year 1911, during a period covering two years and a few months, that is during the same length of time, the national debt under the Liberal regime was increased by 70 millions. These gentlemen sitting on your left, Mr. Speaker, allege extravagance on the part of the Government. What are the facts? In 1914-15, the estimates amounted to 210 millions; in 1915-16, to 180 millions, a saving of 30 millions. No extravagance there surely!

Now, Mr. Speaker, what do we hear on all sides, and repeated by all the members of this House? Hard times! lack of employment! Are we not bound to provide work for the poor people? But do the Liberals, who so loudly bemoan the fate of these unfortunates; who express their pity at the sight of closed factories; who say that trade is stagnant, and money scarce; do these Liberals pretend that the time is opportune to put a stop to all public works? Yet if the Government listen to them, 22 millions—that is the figure mentioned by Sir Wilfrid Laurier—22 millions of these public works, such as post offices, customs houses, drill halls, etc., will be cut off. Why! take those cities which boast of a progressive and enlightened civic administration. How do they cope with hard times? Do not their endeavours tend to provide their labouring citizens with the means of earning their living and that of their families? Do they not appropriate as large a portion as possible of the municipal funds to public undertakings that will

provide work for their unemployed? Is this indeed the time to cast doubts on Canada's future? Is this the time to stop the country in its progress? Are not its resources truly extraordinary? I say that a wise government should, during years of distress, exert itself to the utmost of its power, and through the carrying out of public works, provide employment for those who cannot secure it elsewhere. But such is not apparently the policy of our Liberal friends. The hon. leader of the Opposition himself would cut off $22,000,000 of the money intended for such public buildings as post offices, customs houses, drill halls, scattered throughout the country and giving employment to a large number of workingmen. He says these works in small towns and in different places ought to be stopped. On the other hand, the hon. member for St. Mary's (Mr. Martin), mayor of Montreal, would have the doors of the Dominion treasury thrown wide open and money supplied him by the bushel to provide food for the unemployed of his city, a strange contradiction indeed which cannot be explained except by these gentlemen's eagerness to reach power.

The Government has cut down the expenses of legislation, immigration, railways and canals, harbours, naval service, crown lands and various other branches of the public administration.

I say it is the Liberal party that has shown extravagance while on the contrary the present Administration is endeavouring with the utmost prudence and wisdom to lead the country through these times of stress to progress and prosperity.

It is claimed, Mr. Speaker, that the war has nothing to do with the financial difficulties we have to face. I say that by itself is sufficient proof that our hon. friends on the other side of the House are not to be taken seriously and that their sole aim is to embarrass in every possible way this Government. They say there is a deficit of $60,000,000 in 1914-15, and they predict another deficit of $80,000,000 for 1915-16, besides the war expenditure which will amount to $150,000,000. The war, they say, cannot account for the excess of $140,000,000 of the expenses over the revenue. But if the war is not the cause of this deficit, how is it that it is during war time that the first deficit appears, since up to that time we have recorded the largest surpluses of all Administrations. This argument is but child's talk. Look up the customs receipts during the one year of 1914-15 and you will see a decrease of $32,000,000. And the same as to all other sources of income. How could it be otherwise? The world's commerce has been stopped by the war and Canada's trade would not be affected! To think this possible is absurd! Indeed! But for the English which has kept the trade routes opened, whereat should we be? Industry is paralysed and it is barely kept alive by orders occasioned by the war. Could the Minister of Finance have remedied this evil? No. His policy is the best possible; he has entered into an agreement with the British Chancellor of the Exchequer, whereby the necessary funds to cover the war expenditure are supplied to Canada at the same rate as that paid by Great Britain herself. And in order to allay the effect of the war on the Canadian exchequer, the Minister of Finance suggested new duties and taxes, and this is nothing to wonder at, Mr. Speaker; when, even the United States have to devise a war tariff to provide for a diminished revenue. But it is on that ground of taxation, that hon. gentlemen on the other side have based their attacks. Their contention is that the system of taxation as proposed is neither equitable nor scientifically justifiable. To prove this, the ex-prime minister of Canada forsakes his customary dignity and stoops to the expedients of the demagogue. Speaking on the special tax to be imposed on railway tickets, he caters to the lower instincts of the populace. He draws a picture of the sumptuousness of Pullman cars. He tries to excite against the rich the envy and covetousness of the poor. In his description the children of the wealthy are without feelings, without patriotism, unable to earn a cent by their own efforts, passing through life careless, heedless, with only one thought: to live in affluence at the expense of the poor people oppressed by their greedy parents. And why this diatribe? Because the Minister of Finance proposed a tax of five cents on railway tickets. Passengers in Pullman cars pay for their seats and their berths besides paying the five cents which are paid equally by all passengers. There is not a great difference in this country between first and second class passengers and if a higher tax were imposed on first class tickets, it would fall equally on persons of medium means. But, it is stated again, your tariff is not designed to increase the revenue but to benefit the privileged and wealthy classes. In the terms of the hon. leader of the Opposition, it is framed to raise a minimum of

revenue with a maximum of hardships and losses for the country at large. It is again the struggle between protection and free-trade.

Harping always on the same chord, the hon. leader of the Opposition alleges that under the tariff a duty is imposed on the necessaries of life. Why, does he ask, tax articles which are not imported? A duty is put on spirituous liquors, but the excise duty should have been raised. And for what reason? In order, he says, to prevent the manufacturer from getting rich at the expense of the common people. Always the old grudge! He forgets that protection it is that has made our country what it is to-day; that to it we owe the growth of our cities; that it has saved Canada from the soup-kitchens of the Mackenzie Administration; that it has built and fostered in the large cities, in all the provinces, hives of industry where the workingmen earn a decent living for their wives and children. Protection has made Canada a magnificent country, the pride of its sons and of the empire.

But, Mr. Speaker, to hear the critics of the Opposition, the preferential tariff should not have been raised. This increase is to the prejudice of the Empire. The Empire! This word excites our hon. friends' enthusiasm to its highest pitch. Ask $200,000,000 for the war, they exclaim in unison, and we will vote it; but do not in anyway increase the tariff against British goods. What folly is yours? Is it not enough that Great Britain should have to fight the submarines which seek to destroy its commerce, without forcing her to pass her goods into Canada over a tariff wall.

This meaningless verbosity and pompousness, Mr. Speaker, might be expected of a tyro in the art of literature but that it should come from the leader of the Opposition is beyond belief. And surely he must know that if the general tariff is increased, the preferential tariff must be increased proportionately, in order to keep between the duty on English-made goods and goods from other countries the same relative difference as existed in the old tariff. But the same policy which prompts the Liberal party to cater to popular prejudices, also induces it to make a loud display of its loyalty to the British Crown. But no one is deceived. The debate on the budget has revived the struggle for power between the two great political parties. As representatives of the people, we are called upon to say which of the two parties is in harmony with the country's aspirations.

[Mr. Descarries.]

Which party built Canada, and has led it to its present state of greatness and prospertity? The party of Lafontaine, Macdonald, Cartier, Tupper and Borden. Who brought about this confederation of which we are so proud? The Conservative party. Who inaugurated this system of protection which has made the country great and prosperous? The Conservative party. Who extended the boundaries of this Dominion by the acquisition of the Northwest Territories? Again the Conservative party.

I say that the hon. the leader of the Opposition and his followers have lost the confidence of the electors of Canada and especially those of the province of Quebec; I can speak of that province from closer acquaintance, as I reside therein and the county I have the honour of representing in this House is part and parcel of it. At one time almost the whole of that province was won over to the Liberal party; but the question then at issue appealed to the national and religious sentiment of the electors; it was the famous Manitoba school question. The hon. leader of the Opposition, as he was also then, stood before the electors of Quebec and promised, in return for a strong support from that province, that he, as a French-Canadian and a Catholic, would settle this school question advantageously for the people of Manitoba and to the satisfaction of the population of Quebec. Is it then to be wondered at, Mr. Speaker, that these fiery appeals were successful; that the province pinned its faith in the word of one of its sons, an orator, who, as head of his party, revealed himself a powerful man, invested with all the authority necessary to carry his will into effect. The province confided in him and put him in power. Has he settled that school question in the manner he had pledged himself to do? Assuredly not. He sacrificed the interests of his compatriots and with the object of reaching power, struck a bargain in which the victims were given only scraps of their rights and privileges. Then the present leader of the Opposition ruled this country for many years. All that time the old province of Quebec never lost hope that the pledge given would be redeemed. But nothing was done and one day, in 1911, the hon. leader of the Opposition and his party purposed to hand Canada over to the Americans by means of free-trade with them or reciprocity. What happened? The reply came from the Canadian people, who overthrew the Liberal rule, which my hon. friend is attempting to restore by appealing to popular passion at a

time when the Empire calls for the united energies of all and everyone and when an unswerving loyalty is the imperative duty of the hour, he makes pretence of a deep interest in the needy classes, but this new love bears the stamp of untruthfulness. The utterances of his followers are a tissue of contradictions. We are witnessing a revelry of insane appeals to demagogic prejudices of the populace. Big drums and small drums, flutes and trombone sound a jarring medley. Every one plays as he likes; there is no more any leader; every one speaks for himself, but all aim at the same object, not the triumph of Great Britain over the enemy, although they loudly protest that to be their goal; but all of them have a common and long cherished aim which was clearly enough expressed by the hon. member for Halifax (Mr. Maclean) when he exclaimed: Let us hope that we shall be rid of this war and this Government at about the same time. But in their hurry these hon. gentlemen would anticipate the issue of the war. Undaunted by the prospect of injuring the British cause by impeding the Government in carrying out its programme of aid and succour, they purpose to overthrow the Government in the very turmoil of the conflict, when all its energies are bent on the execution of its patriotic policy, both national and Imperial. On a mere pretext, for the last four weeks, they have been beleaguering the Administration when a suspension of hostilities had been agreed to and a truce proclaimed. They have played on us the same deception which the Germans practised on the brave Belgians. They suddenly unmasked their batteries and without warning opened fire on the Conservative stronghold. But let them go at it to their heart's content. The Conservative party is strongly entrenched, behind its past achievements and the great expectations justly placed in it; in the love of the Canadian people whose best interests it has always served; in its own determination to see that justice be rendered everyone.

The Rt. Hon. the Prime Minister and his colleagues may well walk with heads erect, for the people of Canada are with them; and in a future that cannot be far distant, the verdict of the people will be voiced in unmistakable fashion by the return to power with an increased majority of the Rt. Hon. Mr. Borden, because he has never failed, since he is at the head of the Government, to consult the best interests of Canada and the Empire.

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Mr. J. J. HUGHES (Kings, P.E.I.): If these were ordinary times, and if the Budget which has been presented to the House by the Finance Minister were an ordinary Budget, I would not take any part in this discussion; but the times are not ordinary and the Budget which the Minister of Finance has submitted to the House, and the speeches with which it has been supported, have been of such an extraordinary character that I do not think I would be doing my duty as a member of this House if I did not say a few words in regard to it.

Unfortunately, I could not follow the remarks of the hon. gentleman who has just addressed the House (Mr. Descarries); consequently I cannot reply to anything he said; I leave that to the hon. gentleman to my right (Mr. Lafortune), who will, I understand, address the House this evening. I have read with some care the speeches of the Finance Minister, and I have come to the conclusion that he is a wonderfully clever and capable man; in fact, he himself has told us so. He has told us that upon his broad shoulders has been placed a burden heavier than that which has been placed upon the shoulders of any other man in his position since Confederation. The responsibilities, the obligations and the liabilities which the hon. gentleman had to assume when he took office would have crushed an ordinary man. But the hon. gentleman did not complain. He tells us that he saw his way clear through from the beginning. He says he saw his way clear through the financial stringency and the hard times of 1912-13; that he saw his way clear through in August last when the outbreak of this terrible war threatened with ruin the finances and the commerce of the whole world; that he sees his way clear through all difficulties to-day, when kingdoms are being shattered and empires are tottering. I am really lost in admiration and wonder. In the words of Cassius, I ask:

> In the names of all the gods at once,
> Upon what meat doth this our Caesar feed
> That he has grown so great.

The Finance Minister further tells us that the uncontrolled prodigality, the utter wastefulness and the unbridled extravagance of the late Government would have ruined this country beyond redemption if they had remained in office a little longer; that he was called in just in the nick of time to save the situation. What a fortunate thing that Canada had such a man at such a time! I do not know how we could

have got along if the Finance Minister had not been discovered. Mr. Speaker, you have read history, and you know that almost every page, particularly of sacred 10 p.m. history, is replete with instances of how Providence in supreme crises—this is a very consoling thought to us—never failed to raise up great men to lead nations and peoples. The only difference I see between those times and the present is that the great men of the olden time, so far as I know, never found it necessary or even advisable to announce or proclaim their own greatness. That was probably an oversight on their part; our Finance Minister did not forget that, however.

Mr. W. T. WHITE: There was no Hansard in those days.

Mr. HUGHES: That may have been the reason. The hon. minister pointed out to us his capability; his prescience. So far from detracting from the hon. gentleman's reputation, I think these words of self-praise rather add to it, because they show that in the midst of his multifarious duties, responsibilities and obligations, he does not forget the smallest detail which has particular reference to himself.

The hon. gentleman has read political economy, and is a master in finance. In the following words he tells us how to ascertain the solvency of an estate:

> In estimating the value of an estate, do we not take into consideration liabilities direct and indirect, debts owing, notes of hand, endorsation, guarantees given by the decedent who left the estate?

Of course we do, but we take into account also the assets and resources of the estate, both direct and indirect. These the hon. gentleman apparently overlooked, because later in his speech he declared in triumphant tones that he himself discharged all these obligations and liabilities and added but $8,000,000 to the public debt. At the risk of being arrested, perhaps, for lèse majesté, I venture the assertion that there are one hundred men in Canada—yes, perhaps many more than one hundred—who, under circumstances similar to those in which the hon. minister found himself, would have discharged those obligations and liabilities without adding anything to the public debt, or who would have reduced the public debt by two or three times $8,000,000. It is my purpose to prove that statement by the public accounts and by the speeches of the hon. gentleman himself.

In looking over the first Budget speech delivered by my hon. friend, I observe that it was very different from the speech which he delivered the other day. I think I should read an extract or two from that speech, which he delivered on March 13, 1912, five months after the present Government resumed office and, of course, five months after the Finance Minister took his present position. He had five months in which to inquire into the solvency of the estate of which he became manager, both in respect of its liabilities and assets; he had five months to inquire into and make himself familiar with the financial conditions of the country. This is what he said:

> The estimated revenue for the current year, with which I am now dealing, being $136,000,000, there will therefore be a surplus of consolidated fund revenue over consolidated fund expenditure of $39,000,000 available for capital and special outlays. I am sure I can congratulate both the House and the country upon what is undoubtedly a record year for the Dominion. I do not know how to quite share that congratulation up, but as my right hon. friend (Mr. Borden) came into power on the 6th of October, and my right hon friend the leader of the Oppositon was in power prior to that date, there is probably glory enough to go round and it would be the judgment of Solomon that each be entitled to one-half, at all events to a part of the credit for the return which I am now presenting to the House.

That was the situation, that was the financial condition of the country, five months after the hon. gentleman took office. Then he went on to give a statement of the exact figures and said:

> Now, Mr. Speaker, what does this mean? It means that out of the abounding revenues of this country we shall provide for the ordinary current expenditures of the Dominion, for all those large capital outlays which I have mentioned, and which this growing country has required during the year for services of every kind, and at the same time that we shall be able to make a reduction of the public debt to the extent of $1,150,000. That means, we have more than paid our way, and our surplus has been such that all capital and special charges have been extinguished.

Would you suppose that the Finance Minister would make a speech of that kind, and make this statement, as he did the other day?:

> I say, Mr. Speaker, that the late Government were the inventors, the originators, the parents, the progenitors and the propagators of the most inordinate reckless, purblind and wilful extravagance that this country or any other British country has ever known.

I want to read to you an extract from the Budget speech of the next year to show you the hon. gentleman's opinion of the late Government and of the position of the country at that time. He referred in this speech to the National Transcontinental railway. Before reading his remarks of

May 12, 1913, I should perhaps refer to a short statement made by him in his speech the other day on the same subject: He was addressing his remarks directly to the right hon. the leader of the Opposition and said:

I say to him now that his railway policy, in its potential consequences, is fraught, and has always been fraught with the utmost danger to the Dominion of Canada.

I think he referred chiefly to the National Transcontinental railway; but I have always understood that the hon. gentleman who now holds the position of Finance Minister supported that proposition, supported the Government in its railway policy and in its general legislation in all those years, right down to the year 1911, and it therefore seems strange that he should discover all at once that the policy which he had supported and the party which he had supported for so many years had gone so extremely and outrageously wrong. I do not know when he discovered it and had this change of heart. There is a state in Germany called Hesse whose people are called Hessians. The soldiers from that particular part of the country, for hundreds of years, have fought under every banner and every general in Europe and America. They have fought wherever they could get the best pay. They were ready to enlist under any banner, because they had no convictions and no principles to abandon.

This is what the hon. gentleman stated in regard to railway building on the 12th of May 1913, that is one year and seven months after he became Finance Minister:

The expenditure on the Transcontinental railway reached the considerable sum of over $21,000,000, but as the years of heavy construction have passed the outlays for this service will in the future decline materially.

And a little further on he says:

So far I have dealt with the affairs of the fiscal year 1912-13, and I am sure the results must have been most gratifying to the House, inasmuch as, notwithstanding the generous appropriations which were made for all the services of the country, the net result was practically an equilibrium between the revenue on the one hand and expenditure of all kinds on the other. I am happy to announce that the outcome of the last fiscal year, which ended on March 31, will prove even more satisfactory as reflecting by far the highest pitch to which our national revenues and prosperity have yet attained. The revenue for 1912, as I have stated, amounted to $136,108,217.36. I have every expectation that when the books of the fiscal year 1913 are closed, it will be found that the total revenue will have reached the splendid total of $168,250,000, or an increase over the year 1911-12 of over $32,000,000. Some indication of the magnificent growth of the Dominion may be gleaned from the fact that this increase in revenue during the period of one year almost equals the entire revenue of the country twenty years ago.

The augmentation of revenue to which I have referred has not been irregular, spasmodic or intermittent in its nature, but has steadily characterized each month of the entire fiscal year. It was, of course, mainly derived from customs receipts, but the other sources of revenue—excise, post office and railways—also gave us very substantial increases.

That was the position of the country and the position of the estate of which the hon. gentleman became manager one year and seven months after he assumed office; and yet we are told, he told us the other afternoon, that the uncontrolled prodigality, the utter wastefulness, the unbridled extravagance of the late Government would have ruined the country beyond redemption if his services had not been obtained. I shall leave that phase of the question for a moment and refer to a sentence that I find in the speech delivered by the hon. gentleman when he submitted his Budget on the 11th of February. It is as follows:

We believe the tariff increases which we propose will be not only effectual in producing greater revenue but will be strongly efficacious in stimulating Canadian industry and agriculture and in relieving unemployment.

That was the first time in my life that I ever heard that increasing the taxes would produce prosperity. Why the hon. gentleman withheld that remedy for so long I do not know, for he has told us that there were hard times and a financial stringency in 1912-13, and we know that there were hard times and great financial stringency last autumn. The hon. gentleman had this remedy up his sleeve or in his pocket or under his hat all the time, yet Parliament was not called, nor the remedy produced. Perhaps the remedy was withheld until difficulties had accumulated, so that when it was applied it would be all the more striking. I admit that high customs duties may give an artificial stimulus to some industrial concerns, and thus induce people to come off the land and congregate in the towns and cities; but how that can stimulate agriculture I cannot understand; and I understand the hon. gentleman favours the "back to the land" movement. How he can induce people to settle on the land when he is persuading them to come into the towns and cities passes my comprehension.

I agree, as far as my knowledge goes, that the increase in the customs duties may and probably will increase the revenue. But if the manufacturing concerns in Canada take full advantage of the increased customs

duties by raising the price of their manufactured articles to that extent, that would not prevent importation, because the importer, generally speaking, would then be relatively in as good a position as he is now. But at what a cost would this increased revenue be obtained! The price of the imported article and the price of the home-made article would be increased to the full extent of the increased customs duty. It is estimated that four or five times as much is manufactured in Canada as is imported; in some lines the proportion is higher, but generally speaking we manufacture four or five times as much as we import; so that for every dollar raised for the public revenue under those circumstances at least four or five dollars would have to be paid by the people, and would find its way into the pockets of somebody at the expense of the consumers of the country. Again, let us suppose that the manufacturers do not take full advantage of the increased customs duties, and the hon. member for Brantford (Mr. Cockshutt) told us the other night that the concern with which he is connected would not raise the prices of their manufactured articles. In that case, the importations will be greatly reduced, and the Finance Minister may not get the revenue he expects. Suppose the manufacturers take advantage of the increased customs duties to two-thirds or three-quarters of the increase, the revenue would then be increased, but there would be the disadvantage of the increased price upon all imports and upon all manufactured articles in Canada; and the consumer would lose probably three or four times what the revenue had gained. But that is not the worst feature of it, according to my way of thinking. The worst feature is that the Government is in a large measure placing in the hands of a body of irresponsible citizens—I care not how respectable they may be—whose personal interests are directly opposed to the public interests, the power to say what the revenues of the country shall be. In other words, they are farming out the collection of the taxes. Some years ago I read in some book that that was the system that prevailed in Turkey, and in Egypt before the British occupation. The tax collectors, I forget their technical name, were sent into the outlying districts and provinces and allowed to collect as much as they could, provided they remitted a certain portion to Constantinople, the headquarters, to be spent on luxuries there. We sympathize with the people who had to submit to that kind of government; but is our system of raising the revenue vastly different from that of the Turks? When we are in a large measure handing over one of the vital functions of government to an irresponsible body of citizens, can we be so sure that we obtained responsible government in this country some seventy or eighty years ago?

I wish to quote again a statement made by the Minister of Finance, because it is worth repeating, and to refer him to the public accounts which were prepared by him or by the Government of which he is a member. In his speech the other night he said:

> I say, Mr. Speaker, that the late Government were the inventors, the originators, the parents, progenitors and propagators of the most inordinate, reckless, purblind and wilful extravagance that this country or any other British country has ever known.

That is certainly a most astonishing statement to make; and if the late Government were guilty of all that extravagance I would ask my hon. friend to supply me with language to describe the extravagance of this Government for certainly I could not do it justice. I invite the hon. gentleman's attention to a few of the items in public accounts. Take civil government, for instance. That is a branch of the Government service in which there should be very little increase from year to year, for it comprises the salaries and contingencies of the offices at Ottawa and of the High Commissioner's office in London, and the salaries of the lieutenant governors. It is, therefore, a branch of the public service in which there should not be much increase from year to year, and I find that for 15 years under the late Administration there was very little change, the average yearly increase from 1896 to 1911 having been in round figures $200,000. The average yearly increase for the three years of this Government was upwards of $380,000, nearly twice as much as the yearly increase under the late Government. As far as I can understand these things, there is no justification for that at all; can the Minister of Finance suggest any defence? I will take some of the other accounts just in the order in which they come, though not in the order of their merit. I find that from 1896 to 1911, under the Liberal Government, the average yearly increase in the expenditure chargeable to Consolidated Revenue Fund was $3,400,000, and under this Government it has been $13,200,000, or $9,800,000 per annum greater than during

the Liberal regime, or 290 per cent greater. I would be pleased if the Minister of Finance would tell us how to describe that. The Minister of Finance says that the late Government was guilty of unparalleled prodigality, utter wastefulness, and unbridled extravagance; but, in view of the record of the Government of which he is a member, it is pretty hard for me to describe what it has been guilty of. I suppose it could be charged with strict economy, great carefulness and close supervision over the expenditures of the country, if one did not care to tell the truth. Let us see what the Conservative party promised the people of Canada they would do should they come to power. In the Montreal Gazette, just before the elections, there was a statement signed by the present Prime Minister which read:

> The Liberal Conservative party gives its pledge to carry out the following policy if returned to power:
>
> 1. A thorough reorganization of the method by which the public expenditure is supervised. The increase in what is known as ordinary controllable expenditure from $36,500,000 in 1896 to nearly $87,000,000 in 1911 is proof of extravagance beyond all possible defence.

Then here is an extract from the election handbook issued by the Conservative party just prior to the last election:

> If there is one thing more clear than another in the government of a democratic country it is that political leaders should be held to a strict account for their pledges and platforms. These form the basis of a contract between them and the electorate. These undertakings are solemnly given. They are not actionable in courts of law and therefore all the more should they be held cognizable in the great moot courts of the people and their terms rigidly exacted.

I remember a few days before the last election, the Prime Minister and the Minister of Marine and Fisheries came to my little town and held a meeting there. The weather was fine, and a large number of farmers gathered to hear them, and the meeting was held in a field. Mr. Borden declared that if he should come into power he would carry on the business of the country for at least $10,000,000 a year less than the Liberal Government was expending, and he said he would do it without any injury to the public service.

Mr. BRADBURY: Have you proof of that?

Mr. HUGHES: I was present and heard the statement.

Mr. BRADBURY: Have you any other proof?

Mr. HUGHES: The present Prime Minister made practically the same statement in the Montreal Gazette, which is signed by his own hand.

Mr. BRADBURY: I do not believe that the hon. gentleman can find anything to that effect signed by Mr. Borden with his own hand.

Mr. HUGHES: Did you not hear me read it?

Mr. BRADBURY: I did; it is not the same thing at all.

Mr. HUGHES: The statement I read a few minutes ago appeared in the Montreal Gazette on the 15th August, 1911.

Mr. BRADBURY: Is it signed by Mr. Borden?

Mr. HUGHES: Yes, is the hon. gentleman satisfied now?

Mr. BRADBURY: Read it.

Mr. HUGHES: It reads:

> The Liberal Conservative party gives its pledge to carry out the following policy if returned to power:
>
> A thorough reorganization of the method by which the public expenditure is supervised. The increase in what is known as ordinary controllable expenditure from $36,500,000 in 1896 to nearly $87,000,000 in 1911 is proof of extravagance beyond all possible defence.

Mr. BRADBURY: There is no pledge there to reduce it.

Mr. HUGHES: If it was proof of extravagance beyond all possible defence and if the right hon. gentleman did not intend to reduce it, then he was simply trying to fool the people.

Mr. BRADBURY: He was talking about your extravagance.

Mr. HUGHES: If that was extravagance, how would you describe the increase in the expenditure under the Conservative Government to which I have just called attention?

Mr. BRADBURY: The money was well spent.

Mr. HUGHES: The trouble is that it was not, if it was well spent there would not be so much to condemn in it. Let us take another account and here are the taxes which come directly out of the pockets of the people. I find that the yearly increase under this head which the late Government made for the fifteen years they were in power was $4,140,000, while the increase in the same account under the present Government is $12,550,000 a year, or over 200 per cent more. And yet the hon. gentleman says that the late Government is extravagant and that this Government is economical. But we have evidence against that in the public accounts which, as the Minister

of Finance has told us, cannot be controverted. Take the next account, that is in connection with the collection of revenue, and I find that the yearly increase under that head for the fifteen years the Liberal Government was in power was $1,000,000 a year, or $15,000,000 for the fifteen years; while under this Government the increase in three years has been $15,000,000 or $5,000,000 a year, or 400 per cent more. What does the hon. gentleman (Mr. Bradbury) think of that? Then let us take the accounts under the heading "other expenditures", which I suppose covers miscellaneous expenditures. The yearly increase under that head for the fifteen years the Liberals were in power was $2,000,000. Under the Conservative Administration the yearly increase was $7,500,000, or 275 per cent over and above the increase under the Liberal Administration. Let it be noted that all these statements refer to the fiscal year ending March 31, 1914, four months before war was declared. The war, therefore, cannot be charged with any portion of this extravagant expenditure.

The Prime Minister himself declared that the late Government was extravagant beyond all possible defence. The Minister of Finance, in the face of that record, made the statement which I have quoted two or three times. In the early part of my remarks I said that there were 100 men, perhaps 500 men in the Dominion of Canada, who, not only without increasing the public debt, but with reducing it, could have discharged all those so-called liabilities, obligations and responsibilities which the Minister of Finance declared no man but himself could carry. In the expenditure chargeable on Consolidated Fund Account, you will find the yearly increase under the Liberal Administration to be $3,400,000, and under this Government to be $13,200,000. If this Government had been satisfied with the yearly increase made by its predecessor, it would have saved in round figures $10,000,000 per year.

I do not know what defence can be offered for such extravagance. If the money was properly spent, it would be to the advantage of the country to some extent, but we had an example of how some of it was spent when we were informed by the chairman of the Civil Service Commission—and his statement was found to be correct by the hon. member for Guysborough (Mr. Sinclair) who took the figures from a return brought down by the Government—that the Civil Service had been increased by about 11,000 employees.

Mr. MEIGHEN: The chairman of the Civil Service Commission has pleaded guilty since then.

Mr. HUGHES: The hon. member for Guysborough found that the statement made by the Chairman of the Civil Service Commission was more than correct.

Mr. MEIGHEN: You cannot depend upon him.

Mr. HUGHES: He took the figures from the returns prepared by this Government. I do not know whether you can depend upon those returns or not.

Mr. MEIGHEN: They are all right.

Mr. HUGHES: If they are all right, the statement made by the hon. member for Guysborough is also all right. I have here a copy of the Civilian, published in Ottawa by the Civil Service, and civil servants should know something about the situation. This is what the Civilian says:

> We have nothing to do with appraising the blame or glory of Civil Service administration as between the two parties in Parliament, but we have a responsibility as to the members of the organized and indeed of the unorganized service as well. This responsibility prompts us, as a positive duty, to point out that the public service is overmanned to a remarkable degree and on account of this overmanning, of inefficient organization, or duplications and other kinds of waste, there is a loss, conservatively estimated, of over $5,000,000 a year. A minister of the present Administration once asked a delegation of civil servants what necessity existed for any communications between a committee of Council and the Civil Service Commissioners. Herein is the answer: The Commissioners could have informed the ministry of this overmanning and of a number of other weakneses in the system of government as such come under their observation.

That is what the civil servants themselves say.

Mr. MEIGHEN: Do they say they want to vote ?

Mr. HUGHES: The hon. gentleman is trying to be facetious. I have proved—

Mr. MEIGHEN: Nothing.

Mr. HUGHES: I have proved the correctness of the statement made by the Toronto Globe a short time ago, that this Government was spending money like a drunken sailor. That statement is below the mark. The Globe should apologize to the drunken sailor. A shipload of drunken sailors could not spend money as this Government is doing. It is not my statement; the records are there and can speak for

themselves, and the hon. Solicitor General can try to give some explanation, if he wishes to do so; but it does not seem possible to justify the expenditure of the last three years.

If this unbridled extravagance has been maintained under this Government in time of peace, we may well ask what has been done in time of war. We know already a little of what has been done—we know that small druggists and drug clerks in the city of Ottawa—in a night—in the twinkling of an eye—have blossomed into wholesale druggists, and have obtained orders from the Government ranging from fifteen to forty thousand dollars, on which profits of 40 per cent to 80 per cent have been made. We know that dozens of automobiles have been bought at very high prices, and that many of them have disappeared as completely as if the ground had opened and swallowed them. We know that sets of motor tires have been purchased for more than six hundred dollars a set, the wholesale price of which is less than three hundred. We know that members of Parliament and others, who would not know a hackney from a clydesdale, were commissioned to buy horses for the army; that many of the horses so bought were found to be unfit for duty and had to be sold for what they would bring, and that many of them disappeared altogether.

Mr. A. De WITT FOSTER: Will the hon. member offer to the House some proof of that statement? If he refers to any act in which I have participated, I have already placed my denial on the pages of Hansard, and it is quite unfair for the hon. gentleman to make a statement without producing the proof.

Mr. HUGHES: The proof of this will be amply shown before the Public Accounts Committee, if any assistance is given by the party in power to have the facts brought out.

Mr. MEIGHEN: You had better wait until then.

Mr. GRAHAM: We will all wait.

Mr. HUGHES: We know that a young lady typist in the office of the Minister of Militia and Defence patented a shovel; and that as soon as the minister examined it he found it to be so useful for trench-digging and other purposes that he immediately ordered 25,000 of them—and he is still ordering more shovels. We know that the war grafters have hung like a cloud of locusts around the Government, and around the troops; and that while spouting loyalty with their lips they have taken their blood-toll wherever they can find it. We know that the brave men who have offered their lives for their country have been given equipment that has cost enormous prices, but is entirely unfit for service. We know that they were supplied with boots that soaked in water like a sponge; and that if it had not been for the intervention of the home Government they would have been sent into the trenches in France and Belgium maimed and crippled for life before they saw the enemy. We know that the Auditor General tried to save the people of Canada from being robbed to the extent of hundreds of thousands of dollars; but we have not discovered where he got any assistance from the Government or from any member of the Government. We know that many of these practices are still going on, and that the Government is not ignorant thereof; but ignorance in such a case would be no excuse—it would be nearly as culpable as actual participation in the guilt.

The Government as a whole is responsible, and every member of the Government must take his share of the responsibility for these things. The Treasury Board must take its share. The Finance Minister must take his full share. But there is one man who above all the others must bear the odium of the guilt and the disgrace, and, as Nathan said unto David, so I say unto the Prime Minister, "Thou art the man."

Mr. D. A. LAFORTUNE (Montcalm) (Translation): Mr. Speaker, as I rise to take part in this debate, my first utterances have special reference to the hon. the Minister of Finance (Mr. White), who enjoyed the most unusual privilege of being called to the cabinet in preference to certain friends of his, men of weight and ability, men with a wider range of experience, better informed, and having to their credit many years of parliamentary life; men well up in years who had long waited, no doubt, for recognition by their leader. But the hon. minister had qualities which placed him above all those gentlemen: he was a Liberal and all his life had been at the school of the distinguished followers of Sir Wilfrid Laurier. So early recognition was to be his, and it is no surprise that he should have taken precedence over his colleagues. He belongs to the privileged class, which explains the liberties he allows himself when referring to his erstwhile friends. I may say to him: it is your right, but you are

wanting in gratitude for the party with which you had always been connected, the party in which you have received your political education.

It was a pleasure to listen to the speech of the new member for Jacques Cartier (Mr. Descarries), a man of parts, a distinguished member of the Montreal bar and with whom I have the honour of being well acquainted. He is one of my good friends, and also, I beg to tell him, the representative of the electoral division in which I reside. Therefore I owe him all the respect and consideration due from an elector to the member for his county.

His opening remarks were just and most appropriate. He alluded to the late Mr. Monk, ex-Minister of Public Works, in tones both solemn and grave. It was fit and proper and with the same feelings I wish to pay honour to the memory of the distinguished citizen who, before my hon. friend, was the representative of my county. But the hon. gentleman has sinned against the canons of history in curtailing the truth. He stated that the late Mr. Monk was a distinguished man: I agree; quite so. A man of uncommon worth: But he has forgotten to state the reasons for his retiring from the Government. The hon. gentleman from Jacques Cartier who has just entered Parliament, loses sight of certain particulars. He was not here when the ex-Minister of Public Works twitted on the dissensions in the ranks of his party and among the ministers, replied from his seat in the House: "Do not fret! I am riveted, bolted, padlocked to my seat." Yes, but his rivets had no heads, his locks no keys and his bolts no nuts. The next day he made his last bow to his colleagues and departed.

The intimate confidences of the ex-Minister of Public Works show that he was disgusted with his friends and their policies.

Mr. Monk was a man of talent, intelligent and honourable, true to his public statements and faithful to the pledges he had made to the electorate. Have his friends followed his example? This the hon. member for Jacques Cartier failed to disclose. Yet this is an important point. One thing however is certain, he the hon. member for Jacques Cartier, has not followed in the footsteps of the late minister.

My hon. friend speaks of patriotism. Patriotism is a noble sentiment. The word fits well in a speech of the 24th of June. On that day we loudly proclaim our respect for our clergy, our schools, our institutions and our language. This on the 24th of June. But, Mr. Speaker, their cheers of the 25th are: Hurrah for Borden! Hurrah for his policy! But I say every day of the year. Hurrah for Laurier! Hurrah for his policy! And by these I stand publicly on the 24th of June as staunchly as on the next day.

Can the hon member recall what he stated during the campaign of 1911? These gentlemen, nationalists of all grades, have in the meantime forgotten many things. At that time the hon. member was heard to cry out: Electors of Jacques Cartier, let us have no navy! Down with the navy! No contribution to imperial defence without consulting the people. These clamours have now escaped his memory. How times have changed! One day must not be held accountable for another. Once on a time there was a certain man, a demagogue, who had succeeded in throwing into confusion public opinion by shouting: Down with the Laurier navy! and no Borden contribution to imperial defence previous to consulting the people. And all this the hon. member has forgotten. Of the leader whom to-day he rightly regards with respect and whose eulogy he makes, he then said: Down with Borden! We shun Laurier's policy but we abhor Borden's which is worse. Is it not strange, Mr. Speaker, that we should hear nothing of this? A singular deficiency of memory, indeed.

Mr. DESCARRIES (Translation): It cannot be proven that I have ever uttered such words.

Mr. LAFORTUNE (Translation): What! But all this is ancient history. I expected your denial, because all those who attacked the Canadian navy have afterwards repudiated their utterances as you have just done. We have never been Nationalists, they asserted. When the hon. member for Champlain was asked if he was a Nationalist, he denied it and he was appointed Deputy Speaker.

Mr. DESCARRIES (Translation): I would like to ask the hon. member if he has ever been a Conservative?

Mr. LAFORTUNE (Translation): As you have been a Liberal.

Mr. DESCARRIES (Translation): Never.

Mr. LAFORTUNE (Translation): The opportunity is now given me to remind him that he has not always been a good Tory. Why open a discussion on this subject when the hon. member once fought against

his old leader, Mr. Mousseau, shielded behind Mr. Laflamme.

Mr. DESCARRIES (Translation): Never.

Mr. LAFORTUNE (Translation): What change time works in a man! The hon. member for Jacques Cartier is well known. He has furnished the subject of a pamphlet, a poem, where he is represented as a political chameleon. I should have been silent on this subject; but the hon. member is playing with fire when he states that I have once been a Tory. He asserts what is not true and knowingly. But I know whereof I speak when I say that the hon. member has belonged to every party and to every clique. The hon. member, as was his rights, has along with his friends overrun his county from end to end. He was accompanied by Mr. Bourassa (this was in 1910) and the late Mr. Monk, who, in his presence and with his approval, declared: we owe nothing to England.

I was in this House when the ex-minister stated: we owe nothing to England, no navy and no contribution. I am aware that the hon. member has not heard these statements but I have; and at Saint Henri, the late member, accompanied by his friends, held large meetings and there were shouts of: Down with the navy!. . . . The navy be d . . . ! It was even prophesied that the members who voted for the Bill would be cursed by their children. And that kind of talk was applauded by those gentlemen. And when they were taken to task for their change of front, they replied that they would not follow a fool who knew not his own mind. Thus they spoke of Mr. Bourassa who by his ability and efforts had secured the return of a large number, who otherwise would never have occupied seats in this House. To be called a crank by his friends was the only return he received for his help to them. But, I say, Mr. Bourassa is a man of ability, of weight, of industry. I have cause to complain of his actions towards me—

Mr. BOULAY (Translation): Can the hon. gentleman name a member who spoke of him in that way?

Mr. LAFORTUNE (Translation): All Nationalists, from first to last.

Mr. BOULAY (Translation): I should like names.

Mr. LAFORTUNE (Translation): Why give names. You know one another. You could be seen almost on your knees, hands raised high in prayers, invoking the Virgin to curse the Laurier navy, and swearing that never would you vote a penny without having first consulted the will of the people.

During the last session, I inquired whether it was the Government's intention to repeal the Naval Act, they said: Stand. A second time my request met the same fate: stand; and again a third time: stand. The session adjourned: stand. And the hon. member for Montmagny (Mr. Lespérance) who had introduced a Bill for the repeal of the Naval Act, never again mentioned the subject. Nothing but: stand. And stand it will for a long time to come. Such is the sincerity of the Nationalists. However, Mr. Bourassa stuck courageously to his guns. At the time of the hon. member's election by acclamation in Jacques Cartier, his portrait as depicted by Mr. Bourassa in Le Devoir would have been a flattering revelation to him. I will not repeat the compliments for fear he might feel insulted; but it makes painful reading. As a lent exercise, and an act of penance and humility, I recommend to my hon. friend a careful reading of that article.

I wish the hon. member had been in Drummond and Arthabaska to hear the invectives to which Sir Wilfrid Laurier was subjected on the part of his friends: Not a cent shall we give to England. Laurier is but a heartless wretch who would send his country's sons to be cut to pieces for the sake of England.

The triumph of the Conservative party may be attributed to the seditious language of Mr. Bourassa and his friends. He was accompanied by distinguished orators such as the member for Dorchester (Mr. Sévigny), whose eloquence moves even himself to tears; and such as the hon. member for Chambly-Verchères (Mr. Rainville). Mr. Rainville comes from an old Liberal family, and on this account he felt justified in saying throughout his county: I am a true Liberal, not of the worthless kind like Laurier and Lafortune, but of the true type like Henri Bourassa. Such language may be pardonable on the lips of Conservative Nationalists but not of old Liberals.

But Judases there are in every land, as there was one even in Holy Land. Everywhere there are deserters. Here some men retire in the evening Liberals and wake up in the morning Conservatives. The member for Jacques Cartier has insisted on his party's sincerity. What heritage, he exclaimed, have you left us? The legacies we have left them are easily inventoried: A clean slate, and the honour,

the integrity and the prosperity of our country. We have not left them scandal over scandal like the Curran bridge, the McGreevy affair, the Louise basin, the National printing supplies, the Tay canal. They entered into an estate made up of honourable dealings and works of public importance. The Laurier administration has no Pacific scandle to show.

Mr. BOULAY (Translation): And what about the Transcontinental?

Mr. LAFORTUNE (Translation): The Transcontinental? The Government ought to be ashamed of itself for having instituted an inquiry declaring first that they had laid hands on the Liberal grafting machine. There were not enough scandals with which to take the attention of the machine. The hon. member spoke of $200,000,000 as the price of that railway. And what if that were true? It only proves that $200,000,000 were spent by the Liberal Government, and not that they were spent injudiciously. We are entitled to fair play. The Transcontinental enterprise Laurier alone was big enough to undertake. it. The Liberals cannot be held responsible for such scandals as that of the Louise basin at Quebec, which resulted in the conviction of Messrs. McGreevy and Connolly. Mr. MrGreevy found the prison air unhealthy and later, with the help of the Conservative party, he was re-elected to this House.

Again the Liberals have not been guilty, as the Conservatives have at Saint Albert, of selling to a political friend for $10, property assessed by the municipality at $300,000; this is new to the hon. member. What was the minister's explanation when he was blamed for it? I know nothing about it, he said; it was done by one of my employees and the transaction passed unnoticed. Would you call that good administration?

At the sight of the men who supported Mr. Bourassa, the question suggests itself to me: Where do they stand to-day? Bourassa can hardly be blamed; he had to find a livelihood; he was almost ruined; he said so himself. He was in need of an organ; his nationalist friends came to his aid with $100,000. He overran the province of Quebec successfully. He showed himself an orator of unusual power, but he could not defeat me.

He came into my county swaggering and boastful but reaped only a failure. I do think that if he had not entered the fight against me, I should have been beaten. But I exposed so clearly his deceit and bad faith that I obtained an easy triumph.

Mr. BOULAY (Translation): There must have been some truth in what he said since your own wife applauded him.

Mr. LAFORTUNE (Translation): She applauded him because he is an eloquent man, a talented man high above any of you.

His policy was that not a cent should be given without an appeal to the people.

Meanwhile his stand has been a consistent one and reliance may be placed in his word.

To-day these gentlemen wave the British flag. It is their business, but I prefer the man who keeps his word. The cry was spread that the Canadians were about to be sent to foreign lands to be cut to pieces by shot and shell. The triumph of the Conservative party was brought about by seditious appeals to the people. Bourassa took the lead and had it not been for his eloquence, many who are sitting in this House to-day would have been left at home. The hon. member for Dorchester (Mr. Sévigny), who is to-day deputy speaker of the House of Commons, a distinguished gentleman, a talented orator, declared before the electors, with tears in his voice, that he was opposed to the navy. And according to the hon. member for Chambly and Verchères (Mr. Rainville), who belongs to an old Liberal family, the Liberals were not worth a great deal; he alone deserved the confidence of the people. There have been traitors in our ranks. Judas is of all times and all countries. Some we know who, Liberals when they retire in the evening went forth in the morning Conservatives. They bring to my mind the five turncoats of Quebec. In the evening they voted confidence in Mr. Joly and next morning their votes went for Mr. Chapleau. They all had their reward. One received a judgeship another was called to the cabinet: each one received his price.

The hon. member for Jacques Cartier spoke of his friends sincerely and of the legacies left by the Liberals when they gave up the reins of power. But what harvest did the Liberals reap in 1896 from the Conservatives' sowing? We at least have no Curran bridge, no McGreevy affair, no Pacific scandal, and none of those other scandals too numerous to enumerate, but which the whole country has witnessed.

Hon. gentlemen opposite thought they had at least unearthed in the Transcontinental railway a burrow of graft and maladministration, but since the report has

been tabled, nothing more has been said about it. The Transcontinental railway is a national enterprise and Laurier was the only man able to cope with this gigantic task.

The Pacific scandal has crushed the Conservative party under public odium. The party's chieftain, Sir John A. Macdonald, a statesman, was heard to exclaim: "These hands are clean"; but others were not able to say as much. Yes, many hands indeed were found to be unclean when the McGreevy-Connelly scandal was ventilated.

With the coming to power of the Liberal party instead of bankruptcy and wholesale emigration to the United States, manufactories dotted the country; a wide development of industry took place, the Canadians came back to their old homes, wages and salaries increased, and an era of prosperity dawned over the country. But when with time we had to somewhat modify our policy, what did the Conservatives say? Let well enough alone. This admonition bears witness to the excellence of the Liberal Administration; it is a certificate of efficiency.

But when the late Government negotiated a treaty with the United States, the Conservatives' clamour was that it was scandalous. Do nothing of the kind, they said to Sir Wilfrid Laurier, let well enough alone. What about this for contradiction after they had during a quarter of a century pretended that he was not capable of managing the business of the country?

Now, Mr. Speaker, what explanation can be given for the presence in this House of men who lately had only vituperation for their leader, saying: Laurier's policy is disastrous, but Borden's is worse. And when asked if it were not Borden who would be the next Prime Minister, they replied: Not by any means; we don't want him there; it must be either Mr. Monk or Mr. Bourassa for us. And the member for Chambly and Verchères went from county to county, saying: I am a Liberal; I approve Mr. Monk's policy and not Mr. Borden's; Mr. Borden does not know his own mind. But on the morrow of the 21st of September, these gentlemen could be heard to shout: Hurrah for Borden! Rule Britannia! and yet they are not ashamed, they do not blush to-day. But let them beware; the electors have a retentive memory, the newspapers have recorded all they have done and all they have said; their record is engraved in the minds of the people and, I declare, the people's judgment is supreme.

Mr. BOULAY (Translation): The people's verdict was rendered in 1911. They asserted their rights by running you out of power.

Mr. LAFORTUNE (Translation): Yes; but the verdict is liable to be reversed and you will have to account for your pledges.

The member for Jacques Cartier was asking in his speech what had been done with the Manitoba school question. How rash it is of him to stir these embers? Had he been here when I asked the ex-Minister of Public Works (Mr. Monk) what he intended to do regarding the Manitoba school question, he would have heard the answer: stand. A second time I queried: now that you are in the cabinet, what position will you take on the school question? Again, stand! But a third time, I managed to get an answer. Listen, my hon. friends, to the answer framed by Mr. Monk: As to the Manitoba school question, we have nothing to do with it, the question has been once for all settled by the Laurier-Greenway agreement; nothing more can be done.

Why! you have scoured the province of Quebec, you have declared from the doorsteps of every church, that if you came to power you would soon settle the question of the Manitoba schools. Yet the member for Jacques Cartier has told us to-night that it was not settled. Why then not settle it now?

Mr. DESCARRIES (Translation): The settlement will come.

Mr. LAFORTUNE (Translation): Yes; we shall see it come, as sister Anne who saw the dust of the road and the grass of the fields, but saw no one approaching. There was in this House a man of greater importance than the hon. member for Jacques Cartier, and when he stated that the question was settled, he knew whereof he spoke. When the hon member states it is not settled, he insults his memory.

Mr. DESCARRIES (Translation): I only said that the Liberals had effected a bad settlement.

Mr. LAFORTUNE (Translation): I appeal to the hon. member to ponder over the words of His Holiness Pope Leo XIII: My children, accept the arrangement which is offered you; it is not complete; but under the circumstances I advise that you accept it and pray to obtain full justice. Now that these gentlemen have been in power for three years, have they even made an attempt to bring about a full settlement? The hon. member does not seem to know what

was done with the schools of Keewatin. My hon. friend seems to have kept aloft from public questions. I do not want to take an unfair advantage of him. He is young; he is new at the game; but he must not go too far in taunting the Liberal party; he should beware of calling us demagogues. When he has played the political game a little while longer, he will feel more generous towards his opponents. Mr. Bourassa would gain also by a little more generosity in debate. He spoke ill of me, but not enough to make me be unfair towards him. He insulted me; let it pass. Mr. Bourassa is a worker. He spends his nights writing and reading without any profit to himself or others. He tires his brains to the point that he had to take a rest elsewhere. This is the secret of the short trips he makes now and then. But really he is an extraordinary man. At Saint Jérome, addressing an audience of twenty thousand people, he took the Hon. Jean Prévost to task and said he was of dissolute habits.

An hon. MEMBER: Oh! Oh!

Mr. LAFORTUNE (Translation): Yes, dissolute. I was there. He charged Mr. Prévost with having returned from Belgium with young lady secretaries. Is that not the same thing? and the way it was said, there was no mistaking the meaning. It was clear French to us.

All these gentlemen, Mr. Speaker, will before long have to render an account of their actions to the electors. Let them not think that the public will forget. The people may be deceived in a moment of passion; their good faith may be ensnared once, but not twice. Those who at the church doors swore they would stand by the will of the people and afterwards made light of their promises will receive in due time their punishment. Those who had masses said and the Blessed Sacrament exposed for the defeat of the Laurier Administration; those who shouted: Accursed navy! and dragged in the mire the name of the Liberal chieftain will one day have to render an account to the electors of their words and actions, and it will only be justice. Sir Wilfrid Laurier loves his country; he has always fought the battles of his fellow-citizens. He fell a victim to the vindictiveness of his opponents; but the great day of his rehabilitation is at hand.

The hon. member spoke of his leader's respectability and the harmony that reigns in his party. The harmony was nothing to boast of when Sir Mackenzie Bowell stated from his seat in the House that among those who surrounded him was a nest of traitors, serpents and reptiles. The hon. member was silent on this point. He has forgotten the history of his party. He should refreshen his memory. Never has the Liberal party given the spectacle of similar scandals. It has always been free from serpents and reptiles.

The hon. member for Jacques Cartier has claimed for his party the honour of having made Canada the great country it is to-day. In 1878, when Alexander Mackenzie went out of power, the Conservative party inaugurated the National Policy. From 1878 to 1896, the country was in dire distress. The people were poor; industry was languishing; factory hands had one or two days' work a week; the French-Canadians in sheer discouragement were migrating to the United States; farms were being sold and the parishes abandoned. Desolation spread over the land. With the National Policy the great West remained undeveloped.

In 1896, Sir Wilfrid Laurier came to power and with the same tariff, the same Laurier, who is now the butt of your criticisms, transformed the country. We are not against protection in itself, so long as it is sensibly applied. Manufacturers, representative people in every walk of life, came or sent delegations to the Government asking that protection be not abolished. Sir Wilfrid Laurier reduced it 17½ per cent. Now, Mr. Speaker, how comes it that the hon. gentlemen on your right with the same tariff, and in the same country, obtained results the very opposite of ours which had culminated in a great and prosperous Canada. Where is the explanation? Is it not proof that they had not managed the country's affairs as prudent men of business should do? The hon. member for Jacques Cartier recalled the great names of Lafontaine, Cartier, Macdonald, Tupper and Borden. That they were distinguished statesmen is admitted by every one; but I must make an exception as to the last named politician. So far as he is concerned I abide by the testimony of his Nationalist friends.

I am not one of those who pretend that the Conservative party has done nothing for the country. I concede that great national undertakings have been carried out by the Conservatives; but for all that, it ill fits the member for Jacques Cartier to say that the Liberals are demagogues. I expected better from his first speech. He went on the wrong track. Another time he may be more careful.

The hon. member has brought forward the question of the Manitoba schools. But

what will you do regarding the question of the schools in Ontario? At the present time collections are made in the churches of the province of Quebec to help the cause.

Mr. PAQUET (Translation): Will my hon. friend state whether he thinks that under the British North America Act, the Government can do something in this respect?

Mr. GAUVREAU (Translation): Why, then, did the hon. member refer to it in his speech last Friday?

Mr. PAQUET (Translation): My answer is I believe that personally we can do something; but does my hon. friend hold that under the British North America Act, we can interfere, when the Ontario minority is not appealing to the Governor General in Council?

Mr. LAFORTUNE (Translation): This is something new. These gentlemen spoke differently when the Manitoba school question was at issue.

Mr. PAQUET (Translation): I ask my hon. friend to keep to the question he has raised regarding the rights of the Ontario minority.

Mr. LAFORTUNE (Translation): I ask my hon. friend to seek his information from the member for Jacques Cartier or the member for Nicolet (Mr. Lamarche). The latter is a distinguished lawyer, who knows more law than the doctor. The member for Nicolet has not taken the same position on this question that the hon. member for L'Islet has taken. I prefer the opinion of the member for Nicolet to that of the member for L'Islet as to the interpretation of the British North America Act. The learned doctor knows more about maple sugar and maple syrup than about the British North America Act. Let each one confine himself to his trade, let each one follow his profession; a cobbler must not set himself to shoeing horses.

Mr. PAQUET (Translation): The hon. member might reply, not to Doctor Paquet of Saint Aubert, in the county of L'Islet, but to the member for L'Islet.

Mr. LAFORTUNE (Translation): They are of the same family and let them wrangle with each other.

The hon. member for Jacques Cartier has attempted to show the deep affection of the Canadian people for the Conservative party. This affection has come rather late. Have the people been so very fond of the Conservative party since 1896? This party came out of the elections of 1900 and 1904 crushed under an overwhelming defeat. In 1902, it was again beaten at the polls. The affection of which my hon. friend boasts came in 1911, and was born of falsehood and deceit. It is like a step-mother's love, of short duration.

The hon. gentlemen say that in 1911 their triumph came unexpectedly. Success came to them as a surprise, because their cause was bad. But there is strength behind an unchallenged lie. Bourassa had rushed all over the province stirring the people over the terrible consequences of war; nobody answered him; the Liberals let him alone. A man of Bourassa's ability, a powerful orator, fills the province with his eloquence and no one replies to him. Is it to be wondered at, Mr. Speaker, that people have put faith in his statements? Everywhere Bourassa boasted that Laurier and his friends did not dare take the platform and contradict him. And the people would naturally say: Bourassa is right, otherwise the Liberals would take the trouble of refuting him. But, Mr. Speaker, when he came into my county, your humble servant whose knowledge is limited, who is no match for him, at least courageous enough to meet him and forbid him to speak in his county unless he himself spoke on the same platforms; and D. A. spoke against him fearlessly. D. A. did not hide as many did. D. A. stood up and still stands, and I invite him at the next election to come in my county if I am again a candidate. I am not a man of great parts. I have no pretensions to science or eloquence but in justice I must be credited with a good deal of spirit.

When the Keewatin school question was before the House—and the hon. member for Jacques Cartier who alluded to the Manitoba school question should not have forgotten this point—did the Conservatives proceed to settle it as they had promised to do? They had the authority; why did they not exercise it? Did not Bishop Charlebois ask the Government to settle the question? The Government did not make a move. The schools of Keewatin were sacrificed. I heard some priests applying to the Government the epithet "sans-cœur"; the fathers of Saint Lawrence told me that these gentlemen had deceived them odiously.

The question is akin to that of the French language in the schools of Ontario. The attempt is made to deprive the French-Canadians of their language in the schools, as if under the Treaty of Paris, at the time of the cession of Canada to England, the use of our language had not been

guaranteed us. By that treaty, we have been granted the use of our language, the practice of our religion, our civil law and civil procedure. It would seem that we have no existence as a race in this Dominion. What would the people of English origin say if the same treatment as to the English language was meted out to them in the province of Quebec? The French-Canadians endeavour to learn both languages, and rightly. Both are necessary for clerks, policemen, professional men and persons in every walk of life.

I come back to the hon. member for Jacques Cartier. He spoke of the deeds of the Conservative party which according to him, have achieved for Canada its present greatness. He seems to be unaware that something might have been done under Liberal rule. Yet under the Laurier Government there was not as now thousands of unemployed; no distress as at present; manufactories worked full blast; labourers could find work; and the farmers were prosperous. Under the Borden Administration, the streets are blocked with the unemployed: the manufacturers have locked their doors or are in operation only three days out of six. What does it mean? When the Liberals were in power, a workingman who put his hand in his pocket could hear a merry tingle; to-day his hand fumbles vainly into an empty hole. And this must be known to the hon. member for Jacques Cartier who resides in the midst of a population of workingmen. The Conservative party is very unlucky. In 1896, they had to relinquish power and the dawn of prosperity coincided with the advent of Liberal rule. In 1911, they came back to power, and exit prosperity. Before 1911, the country was prosperous and the people happy. The workingman was working night and day. He was "working overtime," as the saying is, and even on Sunday he was called upon to work, so great was the rush.

The sugar manufacture of Montreal is an instance in point. There they had to work on Sunday to supply the demand. To-day there is no work even on Mondays and Tuesdays. Times have changed. During the Liberal rule, so great was the country's prosperity that banks overflowed with money to such a degree that the legal rate of interest had to be cut down from 6 to 5 per cent. Such a state of things will never come about while this Government is in power. We now have to pay from eight to nine per cent. The day will come when these gentlemen will have to render an account of their stewardship.

Need there be any surprise at what is

taking place to-day? I for one am not surprised, when I recall the offence that was offered the ex-Prime Minister at the time of the famous debate on the navy. The Minister of Marine asked the floor, but the hon. the leader of the Opposition had stood up first; and, I must say it to your credit, Mr. Speaker, you nobly performed your duty, in this delicate predicament, you performed it as an honest man, and you gave the floor to Sir Wilfrid Laurier. But these gentlemen on your right insisted on his ceding it to the minister. Lady Laurier who was in the gallery shed tears at the treatment accorded the leader of the Opposition. Yes, I repeat it, Lady Laurier was weeping in the gallery, she who had accompanied her husband in England, in France, everywhere, and had seen him acclaimed and adding glory to the name of his country.

Mr. RAINVILLE (Translation): I rise to a point of order, I hope the hon. member will understand that it is not to the credit either of the House or himself to introduce Lady Laurier's name in the debate. For the sake of decorum in this House, I ask the hon. member to have enough dignity and decency to refrain from that sort of talk.

Mr. LAFORTUNE (Translation): Hear the member for Verchères speak of dignity! I was saying that when the colleagues of the learned member were attempting to prevent the leader of the Opposition from speaking after you, Mr. Speaker, had given him the floor, Lady Laurier wept at the sight of the treatment meted out to her husband.

Mr. SPEAKER: I think is is hardly compatible with the dignity of the House to refer to those who occupy seats in the gallery during the sittings of the House.

Mr. LAFORTUNE (Translation): I submit to your ruling, Mr. Speaker, and I shall leave this subject aside.

When I saw that the leader of the Opposition was prevented from speaking, I could not but think that it was a most regrettable and most painful proceeding; yet the hon. member applauded long with his friends. Such action was without excuse and I say that those guilty of it will pay back a hundredfold the insult and outrage offered to the leader of a great party. There may be some difference of opinion between us but we should be fair to one another, and since the Speaker had found it fair and reasonable to grant the floor to the leader of the Opposition, his right to speak should not have been taken away from him by a mere majority vote. Such things should not

happen and such a course cannot be tolerated indefinitely and without amends being made.

Mr. RAINVILLE (Translation): Eight per cent.

Mr. LAFORTUNE (Translation): Nine per cent.

Mr. RAINVILLE (Translation): Oh! I can outbid you; I say ten per cent.

Mr. LAFORTUNE (Translation): As I have still much to say and many questions to deal with, which may require some little time, I will, with the consent of the hon. minister move the adjournment of the debate.

Mr. ROGERS: I understand that the whips have come to an arrangement by which two other hon. gentlemen are to speak to-night. I hope, therefore, that the hon. gentleman will be able to finish his speech.

Mr. LAFORTUNE: I am ready to go on, but you will have to be patient. It will take me more than an hour to finish.

(Translation): Mr. Speaker, I represent a county essentially agricultural, and the remarks I am about to make are in the best interests of that county and of the farming community in general. I think that when a member is elected, he is no longer Liberal or Conservative, but he is the representative of the whole county and must look after the interests of every one. It is the same thing with ministers of the Crown. In a county represented by a Liberal member there are not Liberals only, but there is a mixed population to such an extent sometimes that the majority is very small and there are no longer Liberals and Conservatives, but solely electors.

I wish to call the attention of the Minister of Finance very particularly to the tobacco industry which in recent years has made great progress. Years ago our annual production of tobacco was only one or two millions of pounds. Now it is eleven millions of pounds and that the producers may succeed, we must give them a share of protection. I grow tobacco myself. I planted ten acres last year and I gathered in ten thousand pounds which are being prepared for the market. It is not generally known how expensive this crop is. With the present tariff as it stands, there is no big money to be made. Only the farmer who gets up at five o'clock in the morning and works until sunset, along with his wife and children, can succeed in making a profit that is worth while; but not all farmers can or will do that. An increase was and is asked of the duty on foreign tobaccos. The manufacturers, of course, object to an increase because the easier the conditions under which they can import foreign tobacco, the less Canadian tobacco will they need. If this duty which we ask was imposed, the manufacturers would have to purchase Canadian tobacco in order to mix it with the imported leaf; and the Canadian producer would be benefited thereby.

I submit these remarks to the consideration of the hon. Minister of Finance and hope that he will grant the request of the farmers.

I am sorry the Minister of Agriculture is not here, because my remarks are especially on an agricultural topic. I would like to see in the estimates a grant to help the farmers in building curing sheds. The growing of tobacco cannot be a success without them; and the same thing should be done by the Government for curing sheds as was done for butter and cheese factories.

Mr. PROULX (Translation): Where does the hon. member want them built?

Mr. LAFORTUNE (Translation): I would grant a bonus to every tobacco grower who built one on his farm. This would permit him to get better equipment and to produce a better tobacco.

Mr. RAINVILLE (Translation): If the constituents of the hon. gentleman requested that the Hon. Mr. Caron, Minister of Agriculture for the province of Quebec, should apply for a grant for the purpose, to be appropriated from the Dominion vote, I think the hon. member would get it.

Mr. LAFORTUNE (Translation): I am in a position to state to the hon. member for Chambly that the thing that he suggests has been done; but the Dominion grant is not sufficient. Mr. Caron has no money to help the farmers.

Mr. RAINVILLE (Translation): It would certainly be possible to lay aside $50,000 for this purpose.

Mr. LAFORTUNE (Translation): This is what I ask.

Mr. RAINVILLE (Translation): You could certainly get it out of the Dominion grant.

Mr. LAFORTUNE (Translation): No. I found this out for myself. The Dominion grant is certainly insufficient to allow the

Minister of Agriculture of the province of Quebec to consider my request. If a grant equal to one-half the cost should be allowed to every farmer who builds a first-class curing house, it would greatly further the tobacco growing industry. The dairy industry was fostered in many ways; the farmer was induced to discard old-fashioned methods and to build up-to-date butter and cheese factories. He was granted substantial help. Why should not the same thing be done the tobacco industry? I represent an essentially agricultural community, a beautiful and extensive country, and if I am still its representative in the next Parliament, I shall have to travel one hundred miles to visit it fully. This is enough to show that at the present moment, I am fulfilling an important duty. Montcalm country lies north of the Laurentian mountains. Within its bounds are to be found sixty lakes abounding with fish; there are forests which have never echoed the woodman's axe, actually within forests; there is a wide surface of splendid arable land and it is one of the largest constituencies in the province. The production of tobacco is the chief industry of Montcalm county and should ever the hon. Minister of Finance wish to smoke a good pipe of tobacco, let him try the tobacco raised in my county or in Essex county. Our tobacco is favourably known, but if the farmers of the counties of L'Assomption, Berthier, Joliette, and especially Terrebonne are to succeed they must be given protection by means of an increased duty on the foreign article.

There is already a duty of 28 cents per pound on these foreign tobaccos, but this is not sufficient.

The minister has had the courtesy to receive a large joint deputation of tobacco growers from Quebec and Ontario. The delegates were tendered a cordial reception by the Minister of Finance and the Minister of Inland Revenue. Splendid speeches were made and all possible encouragement was promised. The numerous delegates asked the ministers to impose an increased duty of seven cents on imported tobacco. This request is altogether legitimate. Last year 22,000,000 pounds of tobacco passed the Canadian Customs. Now, if an additional tax of seven cents a pound were imposed, it would mean a big reduction in these importations, which mean a ruinous competition to the Canadian weed.

The American tariff imposes a duty of 70 cents a pound on foreign tobaccos. It is a prohibitive duty. The markets of the United States are practically closed to our tobacco. Why then should we allow into the country foreign tobaccos to the extent of 22,000,000 pounds? Such would not be the case if our request for an increase of seven cents in the duty were granted I do hope that, after receiving serious consideration, it will be granted. So far as I am concerned, I hope our farmers will continue to improve their methods of cultivation so as to place on the market a product still better than what we have to-day. The minister who witnessed how earnest the delegates were in asking this protection against foreign competition, must have been convinced of the necessity of this measure. Besides the increase of seven cents in the duty, the delegates further asked the Government that means be taken to abolish trusts and combines which are so harmful to the grower. Some manufacturers get together and fix themselves the price they wish to pay. The farmer has no control, the combine is the judge and master. These trusts are powerful and the growers cannot keep up the fight they are putting up against them. They actually control the price of tobacco. Why do you see the dairy industry take so much importance? It is due to the encouragement it receives. Why not do the same for tobacco? The counties of Montcalm and Joliette afford particular facilities for the tobacco-growing industry. If the farmers had the means of getting all the necessary equipment they could market a better product. They should receive a grant to help them in building curing sheds. Let the Government make them the necessary advances on reasonable terms of repayment.

Another question to which I wish to draw the attention of the Government is that of tobacco seed. It should be supplied to the farmer. Those who know will acknowledge that it is perhaps the most important point. Good seed is essential to the production of tobacco of the best kind. At the present time, the grower goes to the store, asks for Comstock Spanish seed and is given Kentucky seed. Such errors often happen to the loss of the grower. He expects a certain kind of tobacco and gets an entirely different kind. I discussed the matter with the Superintendent of the Tobacco Branch of the Experimental Farm and he agrees with me. The tobacco seed should be supplied. The expense would be slight, but the question becomes important when so many errors are made by merchants who in perfect good faith because they themselves have been deceived, sell bad seed or seed of one variety when another variety is required. That has happened about fifty times at Saint Jacques,

Saint Alexis, Saint Esprit, and elsewhere. I maintain that the Superintendent of the Tobacco Branch at Ottawa should have enough seed to distribute to farmers, so as to prevent such mistakes. I am aware, of course, that if I ask this official for tobacco seed he will give it to me in exchange for the price, but I say it should be given free of charge. I can pay for it, but I claim it should be given to the farmers.

Another question which deserves the attention of the Minister of Agriculture is the drainage of farms in Ontario and Quebec. In those provinces, substantial grants were at first made for that purpose, but were afterwards discontinued; why, I do not know. When the Government put that policy into effect, general satisfaction was expressed. Farmers congratulated themselves, thinking that stones lying about would be removed, and that the embankments of ditches would be levelled down and the water given free access to the ditches. But that did not last. Was there friction of some kind between the Dominion and Provincial Governments? I do not know. I spent $1,500 of my own money to drain my land, but not everybody can do that. Grain, potatoes, and corn cannot grow in water. Intensive cultivation cannot succeed in undrained land. Fruit trees also require a good drainage. The hon. member for Jacques Cartier understands drainage. He knows what beautiful orchards surround Montreal. The success of the orchards at Cote des Neiges, Notre-Dame de Grâce, Côteau St. Pierre, Dorval and elsewhere was due to the land being naturally drained, while the failure at Pointe Claire, Saint Anne, Saint Laurent, Ile Bizard, was due to the unfavourable conditions offered by a water-logged soil. Apple trees, plum trees and cherry trees will not thrive in undrained land unless planted on hillsides. I claim that drainage should be given the same encouragement that was given to the cheese and butter industries and to the postal service, etc. The farming community must get more consideration than it has had in the past at the hands of the Government. I called on the Hon. Mr. Caron, Minister of Agriculture for the province of Quebec, a pains-taking minister and apparently a practical agriculturist, and he acknowledged as I do the necessity of draining the farms.

Mr. RAINVILLE (Translation): Yes, but a minister who is rather parsimonious.

Mr. LAFORTUNE (Translation): Rather, but one could not expect him to give what he had not. The farmers do not possess the means of draining their lands when they are flooded. The situation is not the same as is to be found at Varennes on the old homesteads. That is the finest parish in the province. But elsewhere the case is different. Around Montreal, the land, for lack of drainage, does not even afford good grazing, because they have not the necessary ditches to drain off the surplus water. A quarter and sometimes one-half the land is not drained. All the newspapers report the earnest intention on the part of the Dominion Government to encourage the development of agriculture and secure larger returns. That is a commendable policy. The farmers must be given the means of success. Now, I claim that the Dominion Government should help the provincial authorities by granting them a fair amount to be distributed so as to secure those improvements which will render agriculture more profitable and the farmer more prosperous. It is useless to speak of progress in agricultural pursuits if the basis of them all, that is the land, is not first given proper attention. This is elementary. Begin first by draining the land, for heavy rains cause the cereals to rot and may in quick order destroy the results of your efforts. The farmers therefore should be encouraged to drain their land by giving them a grant equal to one-half the expenditure. This grant would be given only where the work has been done according to approved methods and on an inspector's certificate that it has been done in accordance with the requirements and in a proper way.

Mr. RAINVILLE (Translation): Macdonald College could furnish the necessary information.

Mr. LAFORTUNE (Translation): Yes, but it is a private institution and I fear they would not furnish it. I have asked the Department of Agriculture at Quebec to send engineers to show me where the ditches should be dug out. They sent me an engineer from the Macdonald Farm who made the plans and instructed me how to carry them out.

The information given out by the Ottawa Experimental Farm should be more widely distributed; and for this purpose agricultural stations should be established. Hon. Mr. Fisher, Minister of Agriculture in the Laurier Government, had agreed to consider the proposal and to attempt the establishment of such stations.

Mr. RAINVILLE (Translation): But he lacked the time to do it. He was satisfied with giving pledges.

Mr. LAFORTUNE (Translation): Farmers form a most important part of the community, and they need protection on account of their restricted means.

Mr. RAINVILLE (Translation): You are now converted to protection.

Mr. LAFORTUNE (Translation): I never was opposed to protection intelligently applied. I am a good party man, as every one knows, but not such as to follow blindly. I look at this question, as at all others, from the viewpoint of the practical man. A stock of pamphlets, circulars and seed grain should be left in those agricultural stations for the benefit of the farmers. This scheme is of interest to all the farmers in the land and should have the support of my hon. friends opposite. I have failed as yet to persuade the minister, but I do not despair that before long every one will acknowledge as I do the necessity of establishing these branches of the Experimental Farm. I have no desire to depreciate the work done by that national institution, which gives excellent results and is absolutely necessary to the development of our agriculture, but I do say that with its present system of organization, it does not achieve the purpose for which it was established. I once accompanied a party of two hundred farmers who visited the farm. We saw splendid exhibits and magnificent stock: horses, cattle, sheep, hogs. But one has only time to glance at this, while he would like to stop and examine, and get a fund of information. As things are at present, it is impossible, through lack of time, to obtain the information one would wish. Our farmers are anxious to learn; they are ready to go far in the way of expenditure, provided they be given some help. This particular class of the population, it is worth repeating, deserves special protection. It is not the lawyer, doctor or notary who builds up the country, but the man behind the plough. The fact is acknowledged in all countries. The tilling of the soil is the noblest of occupations. The farmers in Canada are seventy per cent of the population, and they are afforded the least protection of all classes. Now, I claim for them no privileges, but elementary justice. Who built the schools, the churches, the presbyteries; who built everything in this country, if not the agriculturist? So it is not charity that I beg for him; it is equal justice that I demand. How was the country peopled? It is not to city inhabitants that the larger number of children are born, but to country people. While only a few little ones are to be found in the home of the manufacturer or the professional man, the farmer's cottage shelters ten, twelve and even fifteen children. Agriculture is the source of all progress. It is the nurse of the State. But what protection does she get, when duties are imposed on agricultural implements, threshing machines, ploughs, harrows, rakes, harvesters, rollers, etc.? Such is the protection afforded. Does the legislator act wisely in putting duty on farming implements? Why not rather raise the duty on silk goods, laces and velvets? Why not increase the tax on whiskey, tobacco and all things superfluous? I state the imposts on farm appliances are a national crime.

Mr. DEPUTY SPEAKER (Mr. Sévigny) (Translation): I beg to call to the hon. member's attention the fact that there is an understanding between the two parties, and that two other orators are to follow him. It might be well if he would cut his remarks as short as possible.

Mr. LAFORTUNE (Translation): I am sorry, but I feel I would not be doing my duty if I failed to say all I have to say. It will take me about half an hour longer. I say to the Hon. Minister of Finance: Take off the taxes now weighing upon agricultural implements. Impose your taxes on silks, velvets and beautiful flowers.

Mr. RAINVILLE (Translation): The duties on these are high enough already.

Mr. LAFORTUNE (Translation): Raise them again. If a lady wants to wear a $50 hat, let her pay for it.

There is something else I should like to see modified. Under the late Administration, fry was distributed to all those who wished to restock the lakes and rivers. That practice has been stopped. There are sixty lakes in my county, and fish is getting scantier on account of the large number of tourists. Some years ago the fry was given free and placed in the lakes by Government employees. To-day we cannot get it, I myself own a lake in the North. To-day the fry must be bought. Will the Government derive a great benefit from this sale? Of course not. Why not distribute the fry free of charge so as to continue to stock our lakes?

The poultry industry should also receive Government help. It is to be regretted that in Canada this industry is so little encouraged. Financial aid should be granted the farmers to help them in building model poultry yards. At such times as these when the supply of eggs is not sufficient to meet the demands of the market, I say it

is time that our farmers be helped to take the hens out of the cow-house into first-class poultry yards, where they would lay more eggs. If the egg market is not supplied as it should be, what is the reason? It is due to the negligence of our farmers and their lack of means to build a proper hen-house.

Mr. RAINVILLE (Translation): It does not cost very much, and the Dominion Government allows the provincial government a grant of $25,000 which could be utilized for the purpose.

Mr. LAFORTUNE (Translation): I do not know how that money is spent. If a farmer wishes to lay out a model poultry yard, he writes the department at Quebec, who sends two carpenters. They build the hen-roost. It is something, but more is required. The Dominion Government ought to determine the amount to be spent on each poultry-house, so that sufficient eggs may be marketed to supply the demand. I had some hens and built a model poultry-house that cost me perhaps a little more than it should, but it was for my own satisfaction. That industry must be encouraged by all possible means. The Government should make it known to the farmers that if they build poultry-houses according to certain definite rules as to plan and material, one-half the cost would after construction be paid by the Government. The barn would no more serve as a hen-roost. This experiment is worth attempting. Millions of dollars have been given to the railways; why should not some encouragement of the kind I have mentioned be extended to the farmers. Railways have been built, roads have been opened, court-houses, registry offices, penitentiaries have been erected. Why should not the farmer receive the help I have suggested? This class of the population deserves to be especially protected.

There is another measure which must be carried out, Mr. Speaker. The cry is general that children must be sent to school, and that the exodus from the rural districts into the cities must be stopped. This is an excellent policy, but in order that the child be kept on the soil, he must be taught agriculture. Why is there not a school-garden annexed to every school? Why not have on the school grounds a kitchen-garden by which to instil into the pupils the love of agriculture, as is done in Europe, as was done especially in that unfortunate country, Belgium, which has just been overthrown?

Mr. RAINVILLE (Translation): She has not been overthrown.

Mr. LAFORTUNE (Translation): Not utterly overthrown; but she can come to her own again only with the help that will be given her; but that she does is my earnest wish.

The Minister of Agriculture, in my opinion, should set aside in his estimates a certain sum to establish school-gardens, and appoint an inspector, a practical man, whose duty it would be to prepare pupils, not perhaps on the same scale as at Grignon College, in France, but at any rate to give them practical lessons. A real benefit would accrue therefrom to the farming community, and there would not be so many young girls dreaming of nothing but dress, theatres, and moving pictures. How can a child have a liking for agriculture when he is ignorant of its very elementary principles? In this elementary experiments in the school-garden, the pupil will be doing on a small scale what later he will be called on to do in the larger field of the farm.

A word also on apiculture. It should be taught at school. But in this country bee-keeping is only an infant industry. No farm is complete without hives. While at Chateauguay last year I visited the apiary of a Mr. Beaudin. This gentleman had an humble beginning, but success attended his efforts and to-day he is reputed a rich man.

On reading the statistics of old European countries, we find that the yield of hay is at its best only where bees are kept. The same holds good for the orchards. Yet no encouragement is offered here to the keeping of bees. My suggestion is that a certain grant should be made to every farmer who constructs an apiary.

Another question which in my humble opinion is not without importance is the lack of encouragement given to ploughing competitions. It gives me pleasure to see at his seat the new member for Jacques Cartier. He will listen to me as he is wont to do, respectfully. I would ask him to stir up his friends to help towards establishing an annual fair at Montreal. The Montreal members seem quite indifferent to the question.

The Hon. minister of Justice (Mr. Doherty) is a distinguished gentleman, by whom the judiciary has been honoured. He resides in the Montreal division of St. Anne's, one of the most important as regards trade and manufacture. What is he doing to promote an exhibition in Montreal?

Mr. Ames is a prominent man, a man high in his party, who represents one of the wealthy divisions of Montreal. What is he doing to forward the movement? The late lamented Mr. Monk had inaugurated a scheme of that kind. One day he called together all the farmers around Montreal. I was present and addressed the meeting. For a time I thought success had been achieved; but the usual happened, and the preparations fell through. Is it not pitiful to see Montreal, the queen city of Canada, with its population, manufactures and harbour facilities, without her exhibition. Toronto boasts of a splendid fair; I attend every year; it is both beautiful and instructive. I have seen in the one day an attendance of 300,000 at the Toronto Fair. Ottawa has her national exhibition. I am a regular visitor there too. Beautiful exhibits are to be seen, which are an encouragement to agriculture and industry. It also records a large attendance. Three Rivers, Sherbrooke and Quebec, as well as the western cities, hold an annual fair. But in Montreal there is no place to put even a cat on exhibition. And yet the queen city of Canada has among its representatives in this House men of great worth, even ministers; but Montreal in this respect, is completely neglected. Of course farmers are told: Keep to the soil, till the land; but the produce of your labour will not be exhibited. Toil away, spend large amounts to breed good stock, but keep your thoroughbreds in your stables; you have no place to show them. How long will we stand for this state of things? Will not the member for Jacques Cartier take the initiative of the movement, and shake the members of the Government out of their apathy? Could not advantage be taken of some important centenary to have a large exposition at Montreal?

Another cause of dissatisfaction, Mr. Speaker, lies in the stubborn refusal of the Dominion Government to improve our roads. At first the Government intended to spend a large amount for that purpose and a scheme to that effect was put before the House. But when the Bill was amended by the Senate, the Government refused to accept the proposed amendment. And yet that amendment was fair and proper. We were in favour of the expenditure of millions for good roads, but we were unwilling that it should be distributed under the control of the Dominion department. The amendment provided for a pro rata parcelling of this credit to the different provinces on the basis of population. And this should have been accepted. To do otherwise would have been an infringement of provincial autonomy.

Mr. RAINVILLE (Translation): The hon. member suggests improvements and pleads for the farmer. He has requested the Dominion Government to enact various measures in the interest of agriculture and to subsidize it in various ways. How is it that, as regards good roads, he is of a different mind and asks that the grants be made through the provinces?

Mr. LAFORTUNE (Translation): I claim that the Dominion Government should give aid to the farmers, but through the intermediary of the provinces.

Mr. RAINVILLE (Translation): Even for the cultivation of tobacco?

Mr. LAFORTUNE (Translation): The fiscal regulations governing tobacco come under the jurisdiction of the Department of Inland Revenue. My hon. friend (Mr. Rainville) who represents in this House, as I do myself, the agricultural element of his province, ought to stand by me in the request I have been making.

Mr. RAINVILLE (Translation): My answer to the hon. member, and I make it in passing, is that I am most anxious to help the farmers. I wish to say that for three years past, although $600,000 have been received by the Quebec Government to promote agriculture, not a cent of that money has been spent in the two counties of Chambly and Verchères.

Mr. LAFORTUNE (Translation): If such is the case, it is to be regretted indeed.

Mr. RAINVILLE (Translation): If the Dominion Government took unto itself to distribute its grants, I should be delighted.

Mr. LAFORTUNE (Translation): I contend that after elections a member of Parliament becomes the representative of all interests. He must look after the welfare of all classes and see to it that they all get equal justice. If favours and privileges are to be bestowed; if, for instance, patronage is to be distributed and government positions filled, it is only good tactics to confer these favours on the recommendation of friends of the Government. It has been the constant practice. It may be an evil, but it has always been the usual thing. But when the welfare of agriculture is at stake, where those great predominating interests are concerned, the white flag is the one to hoist, not the red or the blue.

Merchants have often complained to me of the need for a bankruptcy law. They claim that such a law identical for the whole Dominion is a necessity. Canadian trade to-day is interprovincial. The Montreal tradesmen, through their commercial travellers, deal with Winnipeg, Toronto, the maritime and the western provinces. Those who sell their wares have a right to a uniform bankruptcy Act. But the farmer must be left out of its operation; as he is not a trader, he cannot go into bankruptcy. I realize that in the business of the merchant and the manufacturer, there are fluctuations. Some unforeseen event may happen which forces him to declare his insolvency. He makes a settlement with his creditors, and once peace is restored, he begins anew. Not so with the farmer. If things go ill with him, he is debarred from making a settlement with his creditors; he cannot begin all anew. If a bankruptcy law is enacted, therefore, the farmer should be excepted from its operation. A debt to a farmer is as sacred as are the salaries of employees. Such a law is necessary, and the merchants are urging that it be passed. The Government should give the matter early consideration. For the last two sessions, I brought an important subject to the attention of the ex-Postmaster General, who, unfortunately for me, but perhaps happily for himself, has given up politics for good. I wish to mention the matter to the new Postmaster General. To my mind an enactment is urgently required forbidding the posting of money letters without prior registration. I always feel sorry, when as Crown Attorney I have to proceed against poor employees of the Post Office Department, who often belong to respectable families; because post office employees are generally sons of members, or of professional men who in order to earn wherewith to complete their studies, seek in the meantime a position in the Post Office Department. Almost every month some of these young men are brought before the courts for having stolen fifty cents or sometimes a dollar, and the minimum sentence is three months at hard labour. Is it not pitiful to see a young man, the son of a judge, a member, or a professional man condemned for such a petty theft? Registered letters are not stolen, because they are easily traced. In France one is not allowed to put a cent in an ordinary envelope under penalty of a fine or imprisonment. Why not do the same thing here? It would cost nothing; on the contrary it would bring some revenue to the Government. Instead of charging five cents for registration, a three-cent stamp might be sufficient. But in any case no money letter should be mailed without being registered. The ex-Postmaster General had acknowledged the desirability of such a measure. His answer was that, after listening to my plea, he found that the grounds I put forward would justify such an enactment and that he would give me a reply at this session. He is now gone, and, I hope to occupations more congenial to him. The present Postmaster General will, I trust, read the remarks, I have just been making. The post office at Montreal, together with its branches, comprises a large number of employees. Not a week passes but some one of them is brought up who has fallen from grace. His name is kept secret, and, for the sake of his family, the matter is hushed up but he goes to the penitentiary just the same. It is altogether deplorable.

For the last quarter of a century, no exposition has been held in Montreal. I am the owner of high-priced horses and in order to exhibit them, I should have to ship them to Toronto or Ottawa, there being no fair held in Montreal. And to think there are in this House ministers who represent Montreal! Let something be done for that city. The Board of Trade, the capitalists, the large hotels, all clamour after an exposition. Meetings without number are held; resolution after resolution is adopted, and yet nothing is accomplished. I urge the ministers to consider earnestly the remarks I have made and see that Montreal gets its exposition. Everywhere exhibitions receive grants. With that I have no fault to find; they are a necessity. But should not Montreal get its share of the public moneys? Montreal is the city which furnishes most to the public treasury. The Canadian metropolis seems to be the victim of a conspiracy. The farmers are told: you are the monarchs of this land; the country looks up to you. But the farmers in turn have a right to look up to the Government. They are interested in this exhibition. Not only should Montreal hold an annual fair, but an international exposition should be organized with permanent buildings, an exposition worthy of this great city's commerce and industries.

Such an exposition should be held at Saint Laurent, in the division of the hon. member for Jacques Cartier. Fine, up-to-date buildings should be erected for the purpose at Saint Laurent. There are already to be found in that suburb a college

and a convent; the transportation facilities are many; and as it is the custom at such fairs to have horse races, there are splendid grounds which could be turned into a race-track. At the Chicago fair college students served as guides to the visitors. I ask the hon. member for Jacques Cartier to give his best consideration to that proposal for an exposition at Montreal.

The continued British embargo on our cattle is also to be deplored. That restriction on Canadian cattle has for some years past prevented its exportation, with a consequent loss to the cattle trade. We are draining our resources to the extent of millions of dollars in order to help the old country. Why, then, should there be discrimination against our cattle, under the pretence that they are not healthy. That embargo should be raised. Why is it allowed to continue? It is an arbitrary measure. There is no sense or justice in thus depreciating the value of our cattle by alleging that they are infected with tuberculosis. If our herds are contaminated, the fact should be disclosed here previous to shipment, and not after the freight and insurance charges have been paid. It is otherwise a gross injustice. I do not wish to appear too critical of British methods, but I wish to point out that the representations we have made have passed unheeded, and we continue to be ill-treated in that respect. The time has come when a stop must be put to such a state of things.

I said something a while ago about the necessity for a Dominion Insolvency Act. The Ontario Act regarding insolvent debtors is different from that of Quebec, and the latter again is different from the enactments of the maritime provinces on the same subject. Such legisation is asked for by all merchants. An attempt at framing an Act has already been made, and Judge Fortin, then member for Laval, prepared a Bill to that effect; but the House prorogued before the Bill had been put through. Later, in 1902, Mr. Fortin was appointed to the judiciary and the Bill was not again taken up. But Insolvency Acts ought not to include debts due to a farmer, who is not a trader. A merchant can always make a new start; it is the usual thing in trade. But the farmer cannot. His claims should, therefore, be privileged and not be included in the proceedings in bankruptcy.

The interest of the country demands that greater encouragement be given to the cultivation of fruit-trees. A special grant should be apportioned among fruit-growers, and inspectors should be appointed to supervise the improvement of orchards, especially, when they are infested with pests. Of what use is it for a diligent grower to give his trees the best of care if his neighbour, by neglecting to attend to his trees, breeds the pests which will infest the neighbourhood. Special inspectors should be appointed by the Government to see that noxious insects are destroyed. Such a measure is of first importance.

When the Government undertook to guarantee $55,000,000 of bonds of the Canadian Northern railway, I had requested that the company extend its Montreal-Rawdon line to the Transcontinental railway. These millions of dollars were voted after the company had pledged itself to extend its branch lines. In my county there is an important line from Montreal to Rawdon and we had received the assurance from the officials of the company that it would be extended to the Transcontinental. I am sorry to say that nothing has been done so far. The poor settlers of my county should at all costs be helped out of the painful position in which they are now. I very specially recommend the extension of this line.

At the last electoral campaign, the discussion between my opponents and myself took place over the expenditure. They alleged that the Liberal ministers had been extravagant spendthrifts; that, in the words of the Minister of Finance, their expenditure had been uncontrolled and uncontrollable. There was some fight also over the navy, and especially in Ontario, over the "ne temere." Laurier was held accountable for mixed marriages. The speech makers also brought in the school question. As mentioned by the hon. member for Jacques Cartier, the pledge was given that if the Conservatives were put at the helm of the state, this question would be settled in short order. Reciprocity was also fought for and against, our opponents shouting: "Let well enough alone." And then there was the question of prohibition. I for one am a total abstainer; I make use of neither tobacco nor liquor; but Mr. Laurier, who is himself an abstainer, did not wish to foist prohibition on the province of Quebec and I think he was right. But we hope that at the next election the navy will be out of the debate,—our Conservative friends will not dare introduce the subject—the ne temere will have been buried, the school question will be no more, as Mr. Monk stated, and the reciprocity treaty will not be an issue. How

strange indeed! When we were in power, the members on your left, Mr. Speaker, reproached us saying: You promised reciprocity and you have not brought it about; and when it was practically brought about, we were blamed for doing it, and that was one of the causes of the Liberal defeat. The object of these remarks is to lay bare the insincerity of these gentlemen. At the present time, corn is the only feed that we import for our hogs, horses and cows. Corn previously was on the free list, but the present Government has put a duty on the only feed we do not produce.

The exit from the House of the ex-Postmaster General leaves me indifferent. The present minister Hon. T. Chase Casgrain, is a worthy successor; he is an honest man, and a fine orator. I believe he is worthy of the portfolio confided to his care.

Mr. Nantel exclaimed at St. Jerome: I will cut off my hand before anything is given to Great Britain; but to-day that gentleman who accused the Liberals of living at the public expense is himself a member of the Railway Commission; he receives a splendid salary and is happy.

The hon. member for Dorchester has also had his reward; he performs his duties of Deputy Speaker in a dignified manner. The hon. member for L'Islet will soon be appointed postmaster. I rejoice with him.

In the course of my experience, there is one thing that came particularly to my notice. When, in 1897, I made an investigation officially as Royal Commissioner into the administration of the St. Vincent de Paul penitentiary, I found that all the prisoners were mixed up without any attempt at classification. The old offenders and the young criminals were all together. These old relapsers are in a sort the teachers of crime for the younger element.

In my capacity as Royal Commissioner, I had recommended to Sir Oliver Mowat, the then Minister of Justice, that the prisoners be put in three classes. The recommendation was to be carried out, but the thing was not done. If the hon. the Minister of Justice could only realize the evils attendant on the present system, he would without delay establish a system of classification, whereby the old criminals would be put in a room apart and the younger men in their own separate quarters. Why should they be left together to eat, to go to church, etc.? They ought to be separated. Such a reform is most desirable. The life prisoners are very dangerous men. Their sole thought is to find a means of escape; all their life, they go on plotting and conspiring. A serious evil exists, and the only remedy is the proper classification of criminals.

Mr. SPEAKER: The hon. member must be aware that the question before the House is the only question to which he can properly direct his attention. This debate has gone on with considerable latitude, and I have not attempted to restrict it in any way; but it does seem to me, after listening for quite a long time to a discussion of the affairs of the country, that the matter of the classification of criminals is not pertinent to the question before the House, which is as follows:

> That this House is ready to provide for the exigencies of the present situation and to vote all necessary ways and means to that end, but it regrets that in the measure under consideration duties are imposed which must be oppressive upon the people whilst yielding little or no revenue, and that the said measure is particularly objectionable in the fact that instead of favouring, it is placing extra barriers against Great Britain's trade with Canada, at a moment when the Mother Country is under a war strain unparalleled in history.

That is the question which stands for the consideration and decision of the House, and it is the only one to which the hon. gentleman can properly direct his attention in this debate. I am reluctant to draw the hon. members attention to the matter, but I thought that, being a comparatively new member, he was not, perhaps, as familiar with the rule as older members of the House are.

Mr. LAFORTUNE: I was trying to show that the Government should effect some remedy in the matter of the classification of criminals. That is the point I was discussing.

Mr. SPEAKER: That is a point which is not pertinent to the question under consideration. The matter before the House refers not to criminals, criminology or criminal classification, but to the question of duties.

Mr. LAFORTUNE (Translation): I comply with your decision, Mr. Speaker, and I pass to another question.

I have referred already to the schools and I say that instead of voting millions to help Great Britain, we should not lose sight of our duty towards our compatriots in Ontario. I do not find fault with the legitimate expenditure of millions of dollars, but I say that we should endeavour, by all possible means, to help in the settlement of the difficulties which divide British subjects in Ontario. The question of schools is one of language. That the Government

should keep in mind. If millions have to be spent for the war, I agree to it, but I add that something should be done towards settling that vexed question.

Mr. ROCHON (Translation): May I ask the hon. member how the Government could bring about the settlement of that difficulty.

Mr. LAFORTUNE (Translation): By taking steps to have it determined whether the provincial government had the right to do as it has done. These gentlemen on your right, Mr. Speaker, could give the same pledge they have given when they were in opposition. The question is identical to that raised by the member for Jacques Cartier regarding the Manitoba schools.

The Government's programme, as expounded in the Speech from the throne, insists on the necessity for the farmers to remain on the farms and till the soil. That is a very commendable policy and one with which I am in thorough sympathy. But the Government, by way of encouragement, cuts down the number of representatives for the rural districts to increase the representation of cities. A strange encouragement, indeed! The farmers are told to till the soil and in return the protection to which they are entitled is taken away from them. In the cities the citizens have easy access to their representatives; indeed two hours riding in an automobile will enable one to make a complete survey of a city electoral division. An urban elector is in contact with the whole world. The newspaper brings the news of the universe to his breakfast table. In the country, on the other hand, miles and miles have to be travelled over and, as the hon. member for Terrebonne must have experienced, the roads are not always of the best.

So great was the country's prosperity under Liberal rule, that money was flowing everywhere, and the rate of interest had to be lowered from six to five per cent. Legislation had also to be enacted against usury. To the Liberals also is due credit for having introduced the secret ballot. The member for Jacques Cartier claims for his party the credit of having made Canada what it is. That is no small pretension. The Conservative majority did not see to safeguarding the small borrowers against the evils of usury. Under the Conservative rule, industries decline, while the good Liberal Administration made them thrive. With the Liberals in power, the workingmen were prosperous, in fact prosperity was general. Laurier promoted a healthy immigration, and guided by his wise policy the settlement of the country made immense strides. Many sons and daughters of Canada who had left for the United States have returned. Expatriation to the United States was the consequence of Conservative administration. It stopped during the Liberal rule.

My last word is that it was well that Sir Wilfrid Laurier should be defeated that he might be spared the responsibility of what is now going on and of the mistakes which are being committed. But his time will come and history will record that he was the greatest among the great. He will restore to Canada that great prosperity which it enjoyed under his Government.

I beg to thank my hon. fellow-members who have listened to my remarks with so much respect and attention. Such consideration is gratifying to one who addresses the House.

Mr. W. A. CLARKE (North Wellington): Mr. Speaker, I feel that I would be remiss in the duty which I owe to the electors in the constituency which I have the honour to represent if I did not make a few remarks in connection with the subject which is now under consideration.

In the first place, I would like to compliment the right hon. leader of the Government and his ministers upon the splendid manner in which they have transacted the business of the country, especially since war was declared. I feel that in attending to the affairs of state they have given their untiring efforts to the accomplishment of that which is in the best interests of the whole people of Canada. The manner in which the right hon. leader of the Government has taken charge of the business of the country has tended to endear him still further, if possible, to the people, who are at all times glad to bestow upon him the honour of being one of the greatest statesmen and leaders that the Dominion of Canada has ever produced. I wish also to commend the hon. Minister of Finance for the splendid manner in which he laid his Budget before the House and for the matter contained in his Budget speech. I feel that the hon. Minister of Finance did credit not only to himself but also to the people who are supporters of the party to which we are glad he belongs at this particular time.

I am sure that I do not owe the House any apology for not attempting to reply to the speech of the last speaker (Mr. Lafortune), but I wish to make just a passing

reference to one or two of the utterances of the speaker who preceded him (Mr. J. J. Hughes). I was surprised to hear the hon. member attempt to liken the doings of the Finance Minister in connection with his expenditures to the actions of a drunken sailor. The hon. member stated, I think, that the Government owed an apology, not only to a drunken sailor, but to a shipload of drunken sailors. His remarks in this connection remind me of an incident that took place in the province of Ontario some years ago. On one occasion the Liberal party, who were in power at that time, were asked for an apology for the actions not merely of one drunken sailor, but of a shipload of drunken sailors who were landed at a certain point in the province of Ontario. According to the information which I have received, and which has been spread broadcast throughout the province of Ontario, these sailors did not belong to the party which occupy the Government benches in the House of Commons at the present time. In case the hon. gentleman, who is not now in his seat, should take the trouble to look the matter up with a view to refuting these statements, I am glad to be able to refer him to the hon. member for South Renfrew (Mr. Graham) or to the hon. member for East Algoma (Mr. Smythe) or to the hon. member for West Algoma (Mr. Boyce). If he wants any further information about the actions of any government whose doings may well be likened to the actions of a drunken sailor, I think he may obtain all the information he wants from the hon. gentlemen to whom I have referred.

Many allusions have been made to the patriotism of the people throughout the Dominion of Canada. I feel that the greatest credit is due to the people of Canada for the splendid way in which they have responded to the call of the Empire for assistance in this time of great trial. I can speak only for the people in my own immediate vicinity, in the county in which I live, and in the adjoining portions of the province of Ontario; but I am delighted to tell members of this House, regardless of the party to which they may belong or the part of the country from which they may come, that the response of a patriotic nature has been a credit to every person who happens to live in that portion of the province.

A number of members of the Opposition raised a great deal of objection to and criticism of the arrangement of the tariff under the administration of the Government and the Minister of Finance. Some of them seemed to be forced to express biased opinions to suit the different parts of the Dominion in which they happen to reside. As a new member of the House, I do not wish any members of the Opposition to infer that I would endeavour to make an unjust or unfair criticism of their comments on the Budget and the tariff. But I cannot avoid contrasting the feeling shown by the hon. member for South Bruce (Mr. Truax) and the hon. member for South Wellington (Mr. Guthrie), both Opposition members, both members of the Government and both personal friends of mine, neither of whom have I ever heard say anything that was not quite agreeable to the Government's policy of protection, with the befuddled dreams and delusions of free trade uttered by the hon. member for Red Deer (Mr. Michael Clark). It must, Sir, be a severe strain on your patience to have to listen to the speeches which are delivered by Opposition members in criticism of the Government's tariff policy. To hear their speeches one would suppose there was not unanimity upon this side of the House on tariff matters. From my own observation, and from listening to the speeches which have been delivered in the Budget debate, I am forced to the conclusion that there is a great deal more unanimity upon the tariff question on the Government side than we find on the Opposition side. We find a good deal of opposition to the increased customs duties. Personally, having recently been in western Ontario, I found that very little criticism was offered in the country upon the increase of 7½ per cent.

Some of the Opposition members argue that the increase is not going to be effective in raising revenue. Possibly that is so; but whether or not it is going to be immediately effective in raising revenue, which everybody admits is absolutely necessary for the war expenditure, I think it is going to be eventually effective. In support of this I may say that the increased duty on goods coming in from foreign countries, especially from the United States, has had the effect of putting a crimp in the manufacturers over there to the extent that some of them have already felt it was in their own interest to come to different cities in Canada and manufacture articles which they had previously manufactured in the United States and exported to Canada. I am sorry that the hon. member for South Wellington is not present, because I am sure he could substantiate my statements, as already there

has been established in the city of Guelph where he lives a factory for the manufacture of articles that have never before been manufactured in Canada. It makes no difference to the financial standing of the people of Canada whether they receive the money in duties collected at the border ports on goods coming in or whether the arrangement of the tariff is sufficiently protective to force American firms to come here and manufacture, I claim that in the city of Guelph and in the county where I live the fact of that concern being forced to come there and open operations to manufacture the goods used in Canada, for which they admit they have had a very large trade for their factories in the United States, will lead to the opening of similar institutions in other cities, that will bring in people and put in circulation money that will be required to carry on these industries, and in some way will have the same effect on the Dominion of Canada, directly or indirectly, as if the revenue had been collected at the border in the shape of customs taxes.

I wish to refer briefly to some speeches that have been delivered by western members, although I might confine my remarks to Alberta and Saskatachewan. Sometimes I can hardly make myself believe the remarks of the hon. members from those districts when they depict the situation there financially and in every other way as deplorable.

We are glad that those who have migrated from Ontario and the eastern provinces have gone to the West, and I am sure that the people in the East will always do what they feel they should do in the interests of the people of the West. But the members from the western provinces would like to lead this House to believe that the present Government is to blame for the money stringency in the West. I for one am not prepared to admit that that is the case. I believe that this condition of affairs is due to many reasons, which it is not necessary for me to explain here, but everybody knows a few of them; for instance, the speculative madness, the over valuation of real estate, and things of that kind. I feel perfectly satisfied that legislation could be put on the statute books by this Parliament which would be in the interests of those provinces at a time when they need it, but I am not prepared to stand for the remarks of the members of the West who try to make us believe that the present condition of affairs out there is wholly due to the action of the Government. I remember hearing the Minister of Finance, shortly after the Conservative party took the reins of office, make the statement during a discussion with reference to the banking affairs of the provinces to which I have referred, that the financial condition of those provinces was not very flourishing. He stated that there was 40 per cent more money on loan than on deposit in Alberta and Saskatchewan at that time. In view of the conditions confronting this Government when they came into power, and of the conditions brought about by the war, I do not think it is fair for the western members to blame the Government for the present condition of the country.

We hear a great deal at the present time about the patriotism-and-production meetings that are being held throughout the Dominion. I quite agree with the holding of such meetings. I think they are beneficial to the country, although I think they are hardly necessary in the central and western portions of Ontario, for the farmers in that part of the country realize that it is in their own interest to produce the greatest possible amount of foodstuffs; and they are doing so.

I am quite willing to admit that the people in the West may have grievances at the present time, but I am sure the Government is willing to assist the people in that part of the country and in the whole Dominion to the best of their power. But we are never willing to admit that it would have been in the interests of my part of the Dominion of Canada to have had come into effect the trade agreements that were presented to the country by the Liberal party in the election of 1911. I believe that the policy of the Conservative party will be much more in the interests of the Dominion as a whole. I again wish to compliment the Minister of Finance for having made what I consider to be the best regulation of the tariff possible under the circumstances. I feel sure that the people of this country, so far from criticising the Government, will approve of the proposals brought down by the Minister of Finance, and will certainly not agree with those members who have taken what might be called an over-zealous part, if they have not put up even a little bit of obstruction.

Mr. J. E. MARCILE (Bagot) (Translation): Mr. Speaker, at this late hour of the night, I believe you do not expect that I shall make a very lengthly speech upon the question which to-day is under discussion in this House and stirs the electorate of the country. But, as representative of an essentially agricultural county, I think it my duty, notwithstanding the lateness of

the hour, to claim the attention of the House a few moments, in order to expound, Mr. Speaker, my opinion and my views on the subject which we are called upon to consider just now.

The member for L'Islet (Mr. Paquet) has deemed it profitable for this House and for the whole of Canada to make known to us his particular views regarding the problems about which the electors are presently concerned. In fervid thought subdued tones, he informed us that the Right Hon. the Prime Minister is a great admirer of the Catholic faith and a close student of the French language; and appealing to those dispositions in the Prime Minister, unappreciated until to-day, he requested him to exercise his influence to obtain a settlement of the bi-lingual school question in Ontario. Really, Mr. Speaker, a better statement was expected from the hon. member of his stand on the subject which has absorbed the thoughts of this House for the last few days. What does he think of the new taxes laid on the people for the purpose of raising funds for Canada's contribution to the defence of the Empire, as is claimed by the Minister of Finance? What stand does he take on this mode of participation in Imperial wars? It seems to me that his former declarations, particularly those he made publicly in 1910, during the electoral campaign of Drummond and Arthabaska, should have left some recollection of certain statements contained in the speeches he made at the time. But, Mr. Speaker, the hon. member must have found his road to Damascus on the way to the sugar bush, and especially since the time he took his seat at your right and enjoys Government patronage. He has found out, Mr. Speaker, that he made a mistake two years ago, when he placed Cartier's cloak on Hon. L. P. Pelletier's shoulders. For the time being he takes it and places it on the shoulders of the hon. the Postmaster General. Let us hope that the minister will not find it too heavy. It is not without interest, Mr. Speaker, to consider at leisure the changes that are wrought, sometimes within a brief period, in the minds of certain men. Those who have heard the speeches delivered by the hon. member for L'Islet before and during the elections of 1911, will no doubt wonder as to whether he is the same man who had been addressing this House. In any case, I do hope, Mr. Speaker, that the hon. member for L'Islet will not beseech the present Postmaster General, as he has his predecessor, Mr. Pelletier, to make Confederation fruitful. I think I speak rightly, Mr. Speaker, when I state that the political truce which we of the Liberal party have scrupulously kept since the declaration of war of the 4th August last, has been broken by our friends on the other side of the House, who have given free expression to their partisanship. The hon. member for Frontenac (Mr. Edwards) was the first to communicate to this House his illusions and to open a discussion on the most acute phase of politics. So, at page 493 of this session's unrevised edition of Hansard, we find the following pronouncement by this gentleman:

> The next week, however, it was cabled to Canada from England that the trade routes were perfectly safe, and that the people of this country could export their produce as usual. What was it that made the trade routes safe? The British fleet. For years, every other overseas dominion had been contributing to the upkeep of that fleet. But the supremacy of Britain on the seas meant more to Canada, and particularly to the farmers of Canada, than it did to the people of any, or perhaps all, of the other overseas dominions; and yet this country, because of the action of the hon. gentlemen opposite, was in the position of being the only one of the overseas dominions that had never contributed a cent towards maintaining the supremacy of the British navy.

(Translation): The hon. member for Lambton East (Mr. Armstrong) alluded to the same question in his speech which is reported in pages 622 and 623 of this session's unrevised edition of Hansard. Here are his words:

> And more than that, they were able to assist Admiral Beatty in the splendid victory he achieved in the North Sea. The cry with these gentlemen opposite was, no need; no danger; no emergency; no menace; we know what we are talking about and there is no need for the Government to undertake this proposition. But the Premier had asked the British Admiralty how he could best serve them in that regard, and he is asking them to-day. This Government to-day are carrying out the wishes of the British Admiralty, and we are proud and glad to support them. But hon. gentlemen opposite are doing their utmost to discredit this Government in the eyes of Canada and the world at large, and if possible drive them to the country. We on this side of the House feel proud and glad that we have at the head of affairs in Canada such an honest, straight-forward and businesslike Government, a Government which from time to time gives to the people of Canada pieces of legislation as progressive as could possibly be expected from any Government.
>
> When the House rose at six o'clock I was calling attention to the fact that the Government had obeyed the wishes of the British Admiralty in 1911 and, had their policy not been thwarted in this House and defeated in the Senate by the Liberal party, Canada and Great Britain would to-day have been much better prepared for this war. Upon the shoulders of hon. gentlemen opposite, therefore, rests a great responsibility, and when called upon to give an

account of their stewardship in the near future, they will cut a sorry figure before the people, when they have to tell them that their policy in this House so far this session has been to embarrass and hinder the Government in promoting the necessary legislation to help the Empire to bring this great struggle to a successful issue. When war broke out we had no great dreadnoughts to place in the firing line, and for that hon. gentlemen opposite are to blame. They do not dare to vote in opposition to the $100,000,000 asked for by the Government now, nor did they dare to vote last summer against the $50,000,000 for war expenditure, but they do dare to try their utmost to embarrass and obstruct and criticise the necessary legislation. The Government now in power have done their full duty in this crisis. One hundred thousand of our brave sons have been armed and equipped and fed, and great credit is due to the men at the head of affairs who have been so successful in this undertaking. Apparently hon. gentlemen opposite are now taking up the time of Parliament with the object of driving the Government to the country, and if that be their wish, and if the Government should appeal to the country, these hon. gentlemen must expect very little sympathy from the electorate. Look at what the colonies are doing in this great war; see the splendid work of Australia!

Some hon. MEMBERS: Hear, hear.

Mr. ARMSTRONG: Will hon. gentlemen opposite pound their desks when I remind them of the attitude taken by Sir Wilfrid Laurier, then Prime Minister, in 1902, 1907, and 1909, before the Colonial Conferences? When he was asked at these conferences to subscribe to the assistance of the British navy and the defence of the British Empire the attitude taken by him was in direct opposition to the best interests of the people of Canada at that time, and while Australia and New Zealand were willing to subscribe from year to year towards the maintenance of the British navy, and towards assisting in the defence of the Empire.

I would like, Mr. Speaker, to read the minds of the twenty-two colleagues of the hon. member for Lambton, who hail from the province of Quebec, and sit with him in this House. These gentlemen, during the last general elections, swooped down upon the parishes of the province of Quebec and denounced the Liberals who had decided upon the building of a Canadian navy designed in case of need to defend the interests of Canadian trade. If Canada's unpreparedness at the opening of hostilities was such as depicted by the hon. member for Lambton, whose fault is it? If for a whole month our trade, at least that which happened to be in our harbours, was held up, who is responsible? Are not the guilty ones to be found among those who sit on your right to-day? are they not those gentlemen who at the time of the passing of the Naval Act in 1910, and from that day on, until after the elections of 1911, have made the most unfair campaign ever witnessed. The hon. member for Lambton complains bitterly of our attitude and that of the Senate during the session of 1913, regarding the proposal to contribute $35,000,000 to the British navy. That policy was assailed by the Liberal party. My friend and I fought against it and I should still oppose it were it again submitted to us. I am quite ready to go back to my constituency and submit to my electors my stand on this question; and I do not believe that a single member on this side of the House entertains any fears for his re-election on that issue. The present war has demonstrated beyond a doubt that the British navy is well able not only to take care of itself but to give help to its allies. It is made clear to-day that Great Britain can without any contribution on our part maintain its supremacy on the seas, since she has succeeded in establishing the blockade of the North Sea, of the British Channel, and of a part of the Mediterranean. For my part, I am still convinced that the only judicious naval policy for Canada, is that put forth by the Liberal party. From the speech of the hon. member for Lambton East, one would gather, Mr. Speaker, that the Liberals have been at the helm of state from Confederation to 1911. It is common history, however, that throughout the whole time from 1867 to 1896, four years only, from 1874 to 1878, came under Liberal rule. How comes that during those twenty-five years the Conservatives never thought of making such a contribution to the Imperial navy? The reason, Mr. Speaker, is to be found in that there was at the time at the head of the Conservative party men who understood the underlying principles of our constitution, men such as are to be found to-day at the head of the Liberal party. I mean that the then leaders of the Conservative phalanx, held as do the present Liberal leaders, that what was needed at the time, and what is needed to-day, is not a policy of contribution but a policy of organization. The Liberals, Mr. Speaker, have every reason to be proud of the stand taken by them in 1909 and 1910; they may also be proud of the electoral campaign of 1911. On this question, if ever an opportunity can be given the people to realize the error they have made in withdrawing the reins of government from an Administration which has secured for the country happiness, prosperity and peace, this opportunity is to be be found in the present war. In fact, everybody admits to-day that the naval policy of the Liberal party is the only true Canadian policy, the only policy that fits in with our national interests.

Let us now discuss another subject. There

is submitted to our consideration the resolution of the Minister of Finance, upon the ways and means to secure the money required to meet our present obligations and provide for those that are to arise. It is argued, Mr. Speaker, that our present financial situation is the consequence of the war and the new taxation to be levied upon the people has been christened war taxes. I maintain that this view is a false one, and I may point out from the admissions of the Minister of Finance himself that there is no foundation to it, because the minister has declared that all the money necessary for the war will be borrowed from the British Government. It then follows that we are not called upon at the present time to provide for this war. The truth of it is made more apparent when from the speech of the Minister of Finance there come out plain and manifest the real motives of this taxation. The true causes of the new imposts are that during the fiscal year ending the 31st instant the revenue of the country has diminished and the expenditure has increased to such an extent that during the year a deficit of 60 millions of dollars has accumulated in the management of the current business of the country, and this without taking into account the 50 millions voted last August for the defence of Canada and the Empire. The administration, Mr. Speaker, has been improvident; too much has been spent thoughtlessly; this it is that brought about the alarming conditions in which the Government finds itself to-day. But are those gentlemen sitting on the Treasury benches willing to better the situation? What are their intentions for the year commencing on the 1st of April next? The Minister of Finance states that he expects during the coming year a revenue of 120 millions of dollars. How is that to be spent? 140 millions will go to cover the ordinary expenditure and 50 millions will be entered to capital account. Was that to be expected from the Government? Is that the course that an ordinary business man would take in a similar position? I think I may state, without fear of contradiction, that not another man outside of those included in the present Government would act in such a way. And do not lose sight of the fact, Mr. Speaker, that this deficit of 60 millions of dollars for the current year, and next year's anticipated of 70 to 80 millions do not comprise any of the 150 millions of dollars voted for the war. Really, the situation is far from encouraging; but it is not without remedy. It is possible to restore the equilibrium in the finances, but energy is required; useless expenses must be cut down; and all expenditure which is not absolutely urgent should be postponed to a later date. Thus, the Government could make a saving of many millions of dollars in reducing the civil service list; public works could be left for later consideration where there is no urgency for them, such works as drill halls and post offices in small localities; the construction of the Hudson Bay Railway could wait, as could also many other public undertakings too numerous to mention. The Government has spent recklessly, its duty is to apply the cure. I wish to remind the House, Mr. Speaker, that during Liberal rule, the country has also known days of stress, but the Government of the day, composed of men of energy, bent on protecting the people's welfare, has been able to weather the storm, sail through the different phases of the crisis without taxing the people for a single cent.

If the present Government had kept the ordinary expenditure at the same figure that it was in 1911, when it came into power, and it could if it would, it would not now have to face the sad necessity of imposing taxes on the people to meet the current expenditure of administration. Unfortunately, the Government lacks energy and the sense of economy, so that little hope can be entertained for the relief of the people. Since the new Administration has taken hold of power, there has been witnessed a shameless squandering of the public money. The Civil Service list has increased from five to eight millions of dollars, through the unnecessary appointment of employees who were not in any way required. There is paid in rent only for housing the employees $175,000 a year; besides what had to be paid to furnish these new offices, put in telephones, appoint caretakers, etc., etc. Will any one fairly pretend that 10,000 additional employees were required since 1911? The people will never believe it. How is it, Mr. Speaker, that it was possible for the Liberal Government, during a time of unprecedented prosperity, to administer the public affairs with 10,000 employees less than at present.

It is not my desire to enter into all the details of the management and wasting methods of the present Government; it would take too long. I will only mention that when we of the Liberal party spent at most 79 to 98 millions of dollars in one year, we had sufficient revenue to meet the expenditure, with fair surplus at that with-

out having to impose additional burdens on the people.

This, Mr. Speaker, brings me to the new taxes. What remedy is proposed by the Minister of Finance to improve the present situation? In the first place, an increase of 7½ per cent of the general tariff and 5 per cent of the preferential. This increase is expected to yield a large sum. But, Mr. Speaker, the question frames itself: If that sum is secured at whose expense will it be? Is it not the people and especially the farmers, because such increased tax spells higher prices for agricultural implements. They will also have to pay more for the goods they have to buy. Is the Minister of Finance aware that a general increase in prices has taken place since August last, that many classes of goods have disappeared entirely from the market and cannot be had, and that this state of affairs will last so long as the north of France and Belgium are not replenished and their manufactures put on the same footing as before the war. Of what good then is this duty of 7½ per cent on goods that cannot be imported? So that increase in the tariff will not provide the expected revenue. On the other hand, the higher duties will mean new difficulties and still higher prices. No, Mr. Speaker, the solution offered by the Minister of Finance is not the one suitable to solve the difficulties which have arisen consequent on the Government's negligence.

But from my point of view the most bitter medicine to swallow is the direct taxation with which the Minister of Finance proposes to burden the people. In the first place, one per cent is to be collected on banking transactions. Is it your belief, Mr. Speaker, that the banks will have to bear that burden? No, indeed; the banks will get it back by increasing the rate of discount and once again the poor will pay for the rich. The minister told us the other day that to meet this tax the Bank of Montreal will have to pay $150,000 a year and the Canadian Bank of Commerce $175,000 and so the other banks, according to the sum total of the business done. Not the banks will pay that tax but the people. Take for instance the Canadian Bank of Commerce, which has a branch at Acton Vale, my home town; they will increase their discount so as to meet that requirement, and the clients will have to bear the loss. The banks will charge 8 or 9 per cent and perhaps more in order to recoup themselves of the outlay, which they will not pay out of their current revenue.

[Mr. J. E. Marcile.]

Now what about the railway tickets? What about the imposition of 5 cents on every ticket above $1? As the leader of the Opposition pointed out, such a tax is unequal and unfair and besides difficult to control. How can the Government collect such a tax on a ticket bought on the train?

The taxes on cheques, bank receipts, bank drafts, etc., etc., are impositions on the people, absolutely useless and burdensome. Take the employees of railway and industrial companies who are paid their salary by cheques; every month they will have to pay this tax. And why? In order to provide the Government with funds to carry on its extravagant expenditure.

The surtax of 50 per cent on letters and 100 per cent on post-card is not warranted. I was listening to the hon. member for Lambton East boasting and praising the Government for having started the rural mail delivery throughout Canada. I would have no fault to find with that expenditure if the Government were in a position to make it; but I believe that the electors would have preferred to be deprived of the rural mail delivery and not be surtaxed. It is claimed, Mr. Speaker, that this additional stamp will be paid chiefly by the larger trade. This surmise is wrong. The higher trade makes a strict computation of all its outlay before determining the price of its merchandise, in order to realize a certain fixed profit. Everything is taken account of. Do you imagine that this tax will be left out of the computation. The wholesale merchant will be careful to see that the additional stamps are paid by the purchaser; he will raise his prices and ultimately the one who will pay will be poor consumer.

The same is the case with respect to the patent medicines on which a surtax is laid. Here again those who will suffer are the needy. I am justified in stating that the new taxation is exorbitant and unreasonable. And the same with all the imposts which in the end always fall upon the shoulders of the largest number, and as in this country the working people and the farmers from the largest portion of the population, they it is who will have to bear the new burden.

For all the reasons I have enumerated, I shall vote for the amendment of the hon. the leader of the Opposition and against the scheme of taxation proposed by the Minister of Finance.

I shall then vote for the amendment, because I sincerely believe that the increased tariff is not designed to provide revenue

but for the sole and exaggerated protection of the manufacturers; I shall vote in favour of the amendment because I sincerely believe that the so-called war taxes are a mere pretext with which to deceive the people of Canada, that they are burdensome and their imposition unnecessary. I shall vote for the amendment because I sincerely believe that an Administration honest, energetic and fully realizing the present situation, could meet the country's obligations without imposing any surtax on the Canadian people.

On motion of Mr. Stanfield, the debate was adjourned.

On motion of Mr. Rogers, the House adjourned at 2.55 a.m. Tuesday.

Tuesday, March 16, 1915.

The House met at Three o'clock, the Speaker in the Chair.

TRANSFER OF BRITISH SHIPS.

On the Orders of the Day being called:

Hon. J. D. HAZEN (Minister of Marine and Fisheries): Mr. Speaker, I beg to lay on the table of the House a copy of the Order in Council which was passed on the 9th day of March, 1915, restricting the transfer of British ships. I do this in accordance with a request of the right hon. leader of the Opposition, made yesterday.

By an Order in Council, dated 23rd January, 1915, the exportation from Canada of vessels, craft and boats of all kinds to non-British destinations is prohibited. This Order in Council, of course, applies only to British ships actually in Canadian ports.

The Order in Council, dated 9th March, 1915, is based on the Bill which is at present under consideration by the imperial authorities, and is intended to apply the restriction to all ships registered in Canada, without regard to where the ship itself may be at the time of the contemplated transfer.

In practice we require a satisfactory guarantee, and bond if necessary, from the intending purchaser that during the continuance of the war the ship will not be used directly or indirectly for the benefit of the enemies of Great Britain.

The Bill now before the imperial authorities does not apply to the Dominion of Canada, hence the necessity for the Order in Council under the provisions of the War Measures Act

BILLS WITHDRAWN.

Mr. LANCASTER presented the eighth report of the select standing Committee on Railways, Canals and Telegraph lines.

Mr. GRAHAM: I observe that by the report, Bill No. 3, to amend the Railway Act, is withdrawn. Which Bill is that?

Mr. LANCASTER: It is a Bill standing in the name of the hon. member for East Lambton (Mr. J. E. Armstrong), which deals with two subjects, the question of discrimination under the Act, and the rates charged for the carriage of goods on inland waters.

Mr. NESBITT: Bill No. 14 is also withdrawn. What is that Bill?

Mr. LANCASTER: It is a Bill to confirm an agreement between the Canadian Northern Railway and the Grand Trunk Pacific Railway. The agreement, however, is not completed. The Bill was not discussed in the committee because the promoters said they were not able to proceed with it, and asked leave to withdraw it.

ST. LAWRENCE WATER LEVELS.

Hon. J. D. HAZEN presented the report of the commission appointed by Order in Council of the 17th of March, 1913, to investigate and report to the Minister of Marine and Fisheries upon the water levels of the St. Lawrence river at and below Montreal, together with a summary prepared by the chief hydrographer of the survey, showing the results of the investigation; and moved that the report and the summary be printed.

Mr. SPEAKER: The hon. member proposes to make a motion for the suspension of the rules in connection with the printing of these documents. It seems to me that the rule, which requires that all matters presented to the House should go directly to the Printing Committee for their consideration, is being more honoured in the breach than in the observance, and if that committee is to be of any value, it seems desirable that it should be allowed to exercise its judgment on many matters before these matters are finally dealt with by a suspension of the rules.

Mr. HAZEN: In view of what you say, I would withdraw my motion and allow the report to go through the ordinary course.

QUESTION OF PRIVILEGE.

Mr. D. A. LAFORTUNE (Montcalm): Mr. Speaker, I rise to a question of privilege.

I see in the Montreal Gazette of this morning the following:

> At an early hour this morning in the midst of a lengthy speech on the war budget, Mr. D. A. Lafortune, M.P., of Montreal, startled the House of Commons by propounding the following doctrine: "We in Canada should, instead of voting millions to aid England, take the necessary means to cause the disabilities under which French-Canadians suffer in the province of Ontario to disappear."
>
> Mr. Lafortune repeated his statement twice, though questioned by Mr. Rochon, M.P., as to what power the Federal Government had to interfere.

I declare, Mr. Speaker, that I never said such a thing. The gentleman representing the Montreal Gazette appears to have deliberately put into my mouth words that I never used; but I am sure he will do me the justice of correcting his statement. What I said was that the school question was a very important one, and I say now that it is a very important question, but I never meant to say that it was more important than the war; quite the contrary. I hope the gentleman who represents the Montreal Gazette will do me the justice of acknowledging in the next issue of his paper that he made a mistake.

THE BUDGET.

PROPOSED WAR TAXATION.

Consideration of the proposed motion of Hon. W. T. White (Minister of Finance) for the Committee of Ways and Means, and the proposed amendment of Sir Wilfrid Laurier thereto, resumed from March 15.

Right Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker, it was not my original intention to intervene in this debate, for the grounds upon which the proposals of the Government are put forward were very thoroughly and lucidly explained by the Minister of Finance to the House on the 11th day of February last. However, after a long debate extending now almost into a month, it transpires that my right hon. friend who leads the Opposition has challenged the proposals of the Government in an amendment which he has moved. I therefore feel it incumbent upon me to say a few words with regard to the issue which he has thus presented.

Let me say in the first place that no Minister of Finance in Canada since Confederation has been confronted with more tremendous responsibilities than those which, since the outbreak of this war, have devolved upon the gentleman who now fills that position; and no man filling that position has, in the history of this country, met and discharged those responsibilities with greater courage or more conspicuous ability than that which has been displayed by my hon. friend the Minister of Finance.

My right hon. friend the leader of the Opposition alluded in the opening passages of his speech to the fact that we had not called him into counsel for the purpose of discussing the special taxes and the tariff changes which have been proposed. It is perfectly true that the tariff changes were not submitted to my right hon. friend the leader of the Opposition; and he knows perfectly well, he knows as well as any man in this House, that they could not have been presented to him in advance. He never suggested any such step, and under such a system of raising the revenue as prevails in this country, and has prevailed for many years past, I do not think he would suggest any such thing. I am not aware that tariff proposals are ever presented in caucus or discussed in caucus. My right hon. friend had as much information about those tariff proposals as any hon. gentleman on this side of the House outside of those who sit upon the Cabinet benches. And more than that, so far as our programme with regard to the session is concerned, I should like to remind my right hon. friend of something which he apparently forgot when he was speaking, or he would have mentioned it. At an interview between himself and myself before the opening of the session he suggested to me that I should submit to him our programme for the session. I told him that I would in advance of the session submit our programme to him, and I explained at the same time that there was a fiscal measure which could not possibly be submitted to him or to any gentleman outside of the Cabinet. On the Monday before this session of Parliament opened, and a week before the debate on the Address commenced, I took to my right hon. friend our programme for the session so far as I could foresee it, and I gave him copies of the measures which we proposed to introduce. Both then and on a previous occasion he told me, as I understood him, that if I gave him that information in advance of the session he would consult with his friends and let me know what his programme was. But from that time up to the present I have not heard one single word from him in that regard.

My right hon. friend has proposed a motion which, if carried in this House, would defeat the proposals of the Government. He has moved that the Speaker do

not leave the chair for the House to consider those proposals, and if that motion was carried the proposals could not be considered this session. It is in effect a vote of want of confidence which my right hon. friend is pressing against the Government at this juncture. As the Minister of Finance pointed out to the House in the course of his reply to the leader of the Opposition, the proposals put forward on the other side of the House are purely negative and destructive in their character. They condemn our proposals, and they have put forward no proposals on their own behalf. The net result of that is this: If we are to accept what my hon. friend the Minister of Finance told us in that regard, and he gives us good reasons why we should accept it, it is imperatively necessary, if we are to take our part in this war, that additional revenue shall be raised in Canada by some method of taxation. When hon. gentlemen on the other side of the House move a vote of want of confidence in the Government, move that the Speaker do not leave the Chair for the purpose of considering these proposals, and put forward no proposals of their own, I say that they in effect declare to this House and the country that we shall not continue to take our fair share in this war as we propose to do and as the people of Canada desire that we shall do.

My right hon. friend, in the course of his speech, has made three points; first, he has desired to make the point that the special taxes which we propose are discriminative against the poor man. He has desired and attempted to arouse the feeling of class against class in this country. He has attempted to make the man of smaller means believe that these taxes are intended to discriminate against him. That was the first point which he made; and the second was this: He denounced the doctrine of protection in so far as protection is afforded by these proposals, and he spoke of the privileged and protected classes and deprecated the fact that they would, according to his conception, derive an undue advantage from the proposed tariff changes. In the third place, he argued that the British preference is decreased, and endeavoured to impress upon the Government and upon public opinion in Great Britain his allegation that our course at this time is unfair to the Mother Country and to the rest of the Empire. We will take up these allegations one by one and see to what extent my right hon. friend is justified in making the appeal which he has made to the House and the country on these points.

As far as the special taxes are concerned, I need say but little, because my hon. friend the Minister of Finance has given an ample and sufficient answer in that regard. But when my right hon. friend alleges that corporate interests in this country were greatly surprised because they were let off so easily, and when in connection with that he deprecates any advance in the preferential rate upon goods coming in from Great Britain, I desire to press upon him the question which was put to him by my hon. friend the Minister of Finance, but which he has not yet answered, as to why it was that in 1907, without any such urgency as that which impelled my hon. friend the Minister of Finance, he deliberately increased the preferential rate against British goods. My right hon. friend either did that because he desired to raise more revenue or because he desired to give greater protection. There is no escape from that, as my hon. friend the Minister of Finance pointed out, and I invite him —and I will yield the floor to him—to state to the House and the country why he did it. My right hon. friend takes refuge in a discreet silence, and I think silence is in this instance the better part of valour. The reason is plain: He knows that if he said it was for greater revenue he would be open to the retort that he then, in 1907, should have taxed the banks to escape the necessity of making the preferential rate higher against the British exporter to this country; and if, on the other hand, he had said that he did it for the sake of protection to the industries in Canada, he would have admitted that he had regard for considerations then which he is now denouncing.

Let us see whether or not these taxes are discriminative against the poor man. In the first place, there is a million of dollars, as my hon. friend the Minister of Finance has explained, taken from one corporate interest in Canada, that is, banks; and, in like measure, upon other wealthy corporations in Canada a somewhat corresponding tax has been imposed.

Then, my right hon. friend takes up the question of railway tickets and says that the poor man is therein discriminated against. In what respect is the poor man discriminated against? The man who travels first-class pays, let us say, $6 for his ticket; the man who feels himself able only to travel second-class pays $4 for a ticket. In one

case there is a tax upon the wealthier man of ten cents and in the other case a tax upon the poor man of five cents. Let us see how the tax will apply to a ticket for a passage on a steamboat. Up to $10 no tax whatever is paid. A man buying a berth costing from $10 up to $30 pays at the rate of one dollar; from $30 to $60 he pays at the rate of $3 and above $60 at the rate of $5. The man pays the higher rate who is able to pay for the better accommodation on the steamer; the wealthier man pays the higher tax just as my hon. friend the Minister of Finance intended that he should. Under these circumstances, the attempt of my right hon. friend to suggest that the poor man is discriminated against by these tariff proposals is not only unworthy of him and of the position he holds, but is absolutely unsupported by any foundation in fact.

My right hon. friend finds protection in the tariff changes. His attitude in regard to free trade and protection has sometimes inspired the country with astonishment. I remember very well in the session of 1902 that his then Minister of Trade and Commerce, Sir Richard Cartwright, stood up and openly castigated him in the House of Commons because he had fallen away from the doctrine of free trade which he had preached in Opposition; and any one who desires to verify my words need only refer to the speech of Sir Richard Cartwright in the Hansard of that year. My right hon. friend is virtuously indignant about the protected and privileged classes of this country. Does he deny that he maintained the protective principle from 1896 to 1911? Does he deny that in 1907 he and his ministers deliberately increased protection by the tariff then brought down? When I sat where my right hon. friend sits to-day I heard them put forward arguments founded on protection in support of the tariff proposals which they had brought down. My right hon. friend in opposition seems to be a most excellent free-trader, at least in theory; but when he comes into power, he seems to be a fairly good protectionist, at least in practice. I remember seeing an anecdote not long ago of an inexperienced drill-sergeant in Great Britain, who was endeavouring to instruct his men in certain physical exercises, and his intention was to admonish them first to hop on one foot and then to hop on the other, and to keep that up alternately; but, being somewhat inexperienced and getting a little confused in his language, he said: "When I give the word of command, you must hop first on the right foot and then on the left foot, and keep that up to all eternity." My right hon. friend seems to have a free trade foot and a protectionist foot. When in opposition, he hops on the free trade foot, and when he comes into power, he hops on the protectionist foot. I presume that, so long as my right hon. friend continues in public life, that movement which has been kept up so continuously in the past may be expected to continue in the future.

What has been the theory of protection upon which the Liberal-Conservative party has proceeded in this country? It is that our raw material plus our labour is equal to the finished product, and that as we have both we ought to use them. We saw no reason why those available resources of Canada which, by the labour of our own people, could be converted into finished products suitable for the use of our people, should not be so converted by the labour of our own people in this country. We stand for that. I have stood for it in the West of Canada as well as in the East, and I have stood for it in power as well as in opposition. With that we have coupled the principle and the belief that we are bound to maintain our customs tariff in Canada on such a standard that labouring men in Canada shall have a fair and reasonable living wage, and that the day shall not dawn that will bring down their standard of living to the scale which prevails in certain other countries which I need not mention. We want a strong and virile labouring population in Canada to whom a reasonable living wage shall be paid, and we believe it is a good policy for this country that our raw material in Canada, so kept within our own boundaries, shall be converted by the labour of our own people into those articles which are necessary and convenient for the consumption and use of our own people. We say further, so far as that is concerned, that there is no conflict of interest, as my right hon. friend would endeavour to make it appear, between the labouring interests in Canada and the agricultural interests in Canada, because every labouring man, finding employment at a reasonable living wage in industries built up by such a policy as that, establishes the best of all markets, the home market, for the agricultural producer. That is the policy which Canada adopted in 1879, which Canada has kept up ever since and which Canada will keep up in the future, notwithstanding any

assault that my right hon. friend may make upon it.

My right hon. friend, after delivering himself of certain broadsides against that policy of protection, which he maintained for fifteen years, proceeded to declare that we had made an attack upon the British preference. He alleged that British goods, escaping the dangers of the submarines, would find themselves impaled upon our tariff. If I could anticipate an answer, I would ask my right hon. friend again why he increased the British preferential rate in 1907; but my efforts to obtain any answer on that point have been absolutely in vain, so I will not detain the House further with them. The hon. Minister of Finance, by the proposal which he has brought down, has given Great Britain a greater preference in our market than she has ever had before. Not only has he done that, but he has established an absolutely new British preference, which in its scope is nearly three times as great as that which my right hon. friend established in 1897. I will prove that to my right hon. friend in a few moments, so that not even he will gainsay it.

Sir WILFRID LAURIER: Hear, hear.

Sir ROBERT BORDEN: I am glad that my right hon. friend shows a disposition to be converted. I have no doubt that I can convert him for the moment; my only doubt is as to how long he will remain converted.

My right hon. friend says that our tariff proposals are of German conception. I will come to that a little later on. He intended by his statement to put, in a somewhat delicate and insidious form, the grosser utterances of some of his followers who had charged the Government and hon. gentlemen on this side of the House with disloyalty by reason of these tariff proposals. So far as all that is concerned, it passes by us like the idle wind which we regard not. We have shown where we were before this war began; we have shown where we are since this war began, and, please God, if need be, we will show it again. Let us see whether or not this is a German conception. If Germany were able to compete with Great Britain in our market to-day, what would she find? She would find, as the Minister of Finance has pointed out, that upon every $100 worth of goods sold in our markets, Great Britain, upon goods now dutiable, had not only the preference that she has enjoyed in the past, but an added preference of $2.50 upon every $100. Does the right hon. gentleman mean to say that Germany would favour a policy by Canada of that kind? For what reason then did he speak of this as a German conception? If I have misunderstood him, I shall be very glad for him to explain. If he meant anything more offensive than that, I would like him to declare it. I understand him to mean that this is a German conception in the way that I have mentioned; and, taking it in that way, I think that no more absurd and unfounded statement ever emanated from the mouth of any public man in Canada.

As to this preference, let us look for one moment at its operation. We have enlarged the British preference on dutiable goods amounting to $379,000,000. That means that if all these goods were supplied to Canada by the British Islands, British manufacturers would pay about nine and a half million dollars less duties upon them under the proposals of the Minister of Finance than would be paid by foreign manufacturers if these goods came from a foreign country. That is, the proposal of the Minister of Finance means that upon an importation of $379,000,000, the difference between the duties payable by the British manufacturers and those that would be paid by foreign manufacturers amounts to no less a sum than nine and a half millions. Does not my right hon. friend see, in view of that, that the British manufacturer to-day enjoys a preference in our markets that he did not enjoy before? He need not be alarmed—I will come to the question of the relation between the British manufacturer and the Canadian manufacturer in due time, and will give my answer upon it. Perhaps my right hon. friend contends that our proposals do not give the British manufacturer an increased preference. Does he take that ground?

Sir WILFRID LAURIER: The ground I take is that the British exporter has to pay five per cent more that he had to pay before.

Sir ROBERT BORDEN: I think everybody knew that. But I had understood my right hon. friend to say that the British preference was decreased. Does he say that now?

Sir WILFRID LAURIER: I repeat what I said—that the British goods have to pay now five per cent more than formerly.

Sir ROBERT BORDEN: Then he does not say that the preference has been decreased. He admits in effect that it has been increased; and the point he desires to make, as I understand him now, is that the British

manufacturer is handicapped as between himself and the Canadian manufacturer. Is that it?

Sir WILFRID LAURIER: I am too old a bird to be caught with this chaff. I repeat— and I am sorry that the right hon. gentleman has not seen it before—that his policy places a handicap on the British exporter as compared with the former condition of things.

Sir ROBERT BORDEN: And I too am too old a bird to believe that I can get a more direct answer out of my right hon. friend.

Sir WILFRID LAURIER: And the right hon. gentleman is not even able to twist it as he wants to do.

Sir ROBERT BORDEN: But I will show him how his own Minister of Finance "twisted" it, as he calls it. Here is what the Hon. Mr. Fielding said in the Colonial Conference in 1902:

I would like, Sir, to say, from a Canadian point of view, we think that an additional preference in the shape of a higher duty may give the British manufacturer a greater advantage than perhaps Mr. Chamberlain is disposed to think possible. We do not profess that we want to introduce British goods to displace the goods made by the manufacturers of Canada. That is a point upon which we must speak with great frankness. Whether or not it was a wise policy for Canada to foster her manufacturers by high duties is a point hardly worth discussing now; we must deal with things as we find them.

And further on:

The statistics show that our tariff is not prohibitive; it is a moderately protective tariff. We say it is incidentally protective. The statistics show we are importing from abroad vast quantities of goods, and the statistics also show that England is not holding her own, or is barely holding her own, of late, and that a large proportion of these are coming from foreign countries. If these goods are being imported, then, by an increase of the duty, thereby increasing the preference to Great Britain, the goods are still going to be imported, but we can turn the trade, as Mr. Seddon has pointed out, from the foreigner to Great Britain. Take the class of goods to-day, in which there is 30 per cent duty with one-third off, the British goods come in at 20 per cent. There is thus 10 per cent advantage to the British manufacturer. If you increase to 45 per cent and still keep your proportion of one-third, your preference then becomes 15 per cent, and that is an additional advantage to the British manufacturer as competing with the foreign manufacturer.

That is, in effect, what was stated by my hon. friend the Minister of Finance (Mr. White) in answer to my right hon. friend (Sir Wilfrid Laurier). He pointed out that by increasing the duty under the general tariff by 7½ per cent and under the preferential by only 5 per cent, he was not only continuing for the British manufacturer the advantage he previously had, but was giving him besides an additional preference of $2.50 on every $100 worth of goods he sent into Canada. No man can doubt, who considers the subject for a moment, that so far as competition between the British manufacturer and the foreign manufacturer is concerned, the British manufacturer is placed in an immensely stronger and more favourable position by the proposals of the Minister of Finance.

And not only that, but, as I have said, my hon. friend the Minister of Finance has established a new British preference. I repeat that, and I will give the House the figures to establish it. The total dutiable imports into Canada last year amounted to $410,258,744. Certain dutiable goods are exempt from the war tax. These amount to $31,565,942. The amount, therefore, of dutiable goods subject to the 7½ per cent or the 5 per cent additional tax is $378,692,802. In addition to that, there were last year $208,198,400 of free imports—imports upon which no duty was imposed. The Minister of Trade and Commerce (Sir George Foster) referred to that yesterday. He did not, however, deduct that portion of the free goods which are still exempt under the war tax. This portion amounts to $73,425,665. This leaves, as the amount of goods formerly free which are now subject to the war tax, $134,772,735, or in round numbers $135,000,000.

In respect of that the Minister of Finance has established an absolutely new and distinct British preference, because he has imposed upon those goods, in so far as they come from foreign countries, an additional tax of 7½ per cent, and in so far as they come from the British Isles and the principal British dominions, an additional tax of only 5 per cent. There you have a preference extending to $135,000,000 which is absolutely new and to which the British manufacturer and producer is entitled to-day, although he never was entitled to it before. In order to give to the House and the country a comprehension of what that amounts to, I would like to compare for a moment the scope of this preference established by the Minister of Finance to-day with the scope of the preference of 1897. The arrangement of 1897 was not at first called a British preference; it was intended as a reciprocal tariff and was converted into a British preference, so-called, in 1898. The

dutiable imports which were subject to that preference in 1897 amounted to $56,047,420. That represents the whole volume of trade to which the British preference, so-called, established in 1897, applied. My hon. friend the Minister of Finance has established to-day a new British preference extending to $135,000,000 or nearly $100,000,000 of trade more than that which was affected by the arrangement made in 1897. Under these circumstances my hon. friend thought himself justified—for the sake of originating a partisan cry to be made throughout the country, perhaps at a later date—thought himself justified in suggesting that the action of the Government in giving this extended preference was not patriotic, and was not even loyal. We are prepared to leave it to this House, and if necessary, to this country to judge as to the merits of the Government's proposals in that respect.

But my hon. friend puts forward another point. I do not know that he puts it forward precisely in these words; but doubtless he will argue that although we have given Great Britain a larger and wider preference, yet we have increased the preferential rate and therefore we have handicapped the British manufacturer in competition with the Canadian manufacturer. Of course there is a higher rate to the extent of 5 per cent on British goods coming into Canada, but there is also a higher rate to the extent of 7½ per cent upon foreign goods coming into Canada, leaving the matter as I stated it before. What is the position of the Canadian manufacturer? Upon any raw materials which he finds it necessary to import—and he imports a great many of these; upon any plant or machinery and upon various other articles which he finds it necessary to import from abroad for the purpose of carrying on and maintaining his industry, he must pay an additional tax of either 7½ or 5 per cent. Under these circumstances, unless the Minister of Finance was prepared to see scores of Canadian factories closed and thousands of workingmen thrown out of employment, he was bound to give to the Canadian manufacturer that consideration in the tariff which he has given to him under these proposals. Let us look at this question in the broadest possible aspect. Those who are charged with the duty of administering public affairs in Canada must have regard to conditions in this country; it is their first duty to have regard to the fiscal welfare of Canada within the Empire.

4 p.m.

And that does not make the Empire any the less strong; a factory established and maintained in Canada is of as much advantage to the Empire as if it were established and maintained in some other British possession.

My right hon. friend says that workingmen by the hundreds and thousands are out of employment in the large cities of Canada. Does his proposal mean that while imposing a tax of 7½ per cent and 5 per cent upon everything that the manufacturer has to bring into Canada in order to carry on his industry, we should give him absolutely no consideration in these tariff proposals? If he means that, then he means to increase by many thousands the number of men out of employment in Canada. I do not think that is a good proposal for Canada, or a good proposal for the Empire. Within this Dominion every Government entrusted with the administration of provincial affairs has the duty of first conserving the interests of its province. That does not make this Dominion of ours any the less strong or any the less loyal. It is our duty to see to it that the industrial life of this country is not crushed, is not dislocated, is not destroyed. The Minister of Finance, therefore, took absolutely the only course that he could take in bringing down these proposals; he maintained the equilibrium of the tariff and gave to the manufacturer of Canada the same opportunity to compete with the world as that which he had before. That was a perfectly just and reasonable policy, because there is no good reason why the strength of the Empire, in industrial life and activity or otherwise, should not be made manifest in this Dominion as well as in other portions of the Empire. Our industrial organization is serving the Empire well to-day. At least one hundred factories in Canada are now engaged, I believe, in supplying munitions of war, which the Secretary of State for War, Lord Kitchener, only a day or two ago said were of the most vital necessity at this moment.

My right hon. friend also says that this is not a war tax; a great many hon. gentlemen on the other side of the House have said the same thing. I do not intend to labour that point; it can be disposed of in a few words. We have a large ordinary expenditure in this country which we are endeavouring to maintain so as to give employment, so far as conditions will permit us to do so. In addition to that, we have a great war expenditure; we must meet in

some way this combined expenditure. My hon. friend the Minister of Finance proposes to meet it in part by borrowing and in part by increased taxation, and I say that every additional dollar that we raise by taxation diminishes pro tanto the amount which we must borrow for war purposes. The additional taxation is imposed for that purpose. My hon. friends on the other side of the House may chop logic about that from now until doomsday, but they cannot alter the facts I have just presented.

Another curious feature in the arguments put forward by my hon. friends opposite is this. They say that the increase in the British preferential rate operates in two ways: in the first place, it handicaps the British manufacturer because it is paid by him, and, in the second place, it oppresses the Canadian consumer because it is paid by him. Now, by which one of these oppressed individuals is it really paid, according to my hon. friends? If it handicaps the British manufacturer because it was paid by him, it cannot also oppress the Canadian consumer. Up to the present time I have not heard any reasoned argument on the other side of that question, although many assertions have been made. Perhaps some hon. gentleman who follows me will be good enough to take that question up and make it thoroughly clear to us on this side of the House. Is it really paid by both of them?

Mr. GRAHAM: That is the old question: does the consumer or the producer pay the duty?

Sir ROBERT BORDEN: The difficulty is that my hon. friends do not put it forward as a question. They put it forward as an assertion, and say that it operates in two absolutely inconsistent ways.

This discussion began on the 11th day of February. It has proceeded continuously from the 23rd of February up to the present time, and I believe it has occupied nearly 1,000 single columns of Hansard. My right hon. friend has appealed to the example of Great Britain. May I be permitted to quote an example of Great Britain to him? The Finance Act of 1914, one of the greatest measures ever put through the British House of Commons was practically completed in five days, and the report of the debate took 268 columns of Hansard, or about one-quarter of what my hon. friends have occupied here. The Defence of the Realm Consolidation Act was put through in three days and the debate occupied 29 columns. The Government War Obligations Act was put through in four days, and the debate occupied 94 columns of Hansard. The National Insurance Act occupied three days and filled 3 columns of Hansard. The Injuries in War Compensation Act occupied four days and the discussion filled 4 columns of Hansard. The Trading with the Enemy Amendment Act occupied five days and filled 183 columns of Hansard. The Royal Marines Act occupied three days and filled one column of Hansard. The Army Estimates to provide money to maintain 3,000,000 men of all ranks were discussed on four different days and the discussion filled 333 columns of Hansard. And all of these measures to which I have alluded, some of them of the first importance, were put through the British House of Commons between the 17th day of November and the 26th day of November. Yet we have been continuously engaged since the 23rd of February in discussing the extraordinary proposals put forward by my right hon. friend and his followers. I trust that the example which I have given to the right hon. gentleman may prove of some service to him and his friends, and that we shall have in the future greater expedition in regard to public business than we have been able to enjoy in the past.

Sir WILFRID LAURIER: That is rather hard upon your followers; they have not been silent.

Mr. GRAHAM: They have talked as much as we have.

Sir ROBERT BORDEN: If my hon. friends invite an expression of opinion in that regard, I really think that we have been too complimentary to hon. gentlemen on the other side of the House. I think it would have been far better not to have paid them the compliment of answering some of the extraordinary speeches which they delivered. With the desire to be as courteous as possible, which always animates hon. gentlemen on this side of the House, we have felt in duty bound to get up and pretend at least that something approaching an argument had been put forward on the other side of the House and to reply to it.

Mr. GRAHAM: Does my right hon. friend mean, pretend to answer?

Sir ROBERT BORDEN: No, I do not mean that at all.

Mr. GRAHAM: I beg your pardon.

Sir ROBERT BORDEN: In one aspect, I suppose it is a pretence, because if we had to pretend that there was something to

answer we would also have to pretend that we were answering it.

My right hon. friend has put forward to the House and the country the idea that the proposals of the Minister of Finance were of German conception, and I have endeavoured to show that if Germany were in a position to trade with this country at the present time German statesmen and German manufacturers would have a very different conception of the position. But, since my right hon. friend has invited comparisons of that kind, I may be permitted to tell him that the only proposals put forward in this Parliament which ever received the enthusiastic and whole-hearted support of the German Government and the German people were the proposals that he himself put forward two years ago—and I have the evidence under my hand to show it. Since he has invited consideration of Germany's approbation, I have the evidence under my hand, taken from one of the greatest newspapers of Germany, the Hamburger Nachrichten. That great journal on the 5th day of June, 1913, contained the following:

> Whatever may be decided upon later, the actual decision of the Canadian Senate means at any rate a heavy moral and material loss for the defence of the Empire, for Mr. Borden's promise has been foolishly enough counted on. His offer made an enormous impression in the whole world. Mr. Churchill pointed out this fact especially in the well-known memorandum of the Admiralty. This impression will now not only be destroyed, but people will everywhere obtain the conviction that England cannot depend upon such help from her colonies. "By rivals and enemies," says the Morning Post to-day, "the decision will be eagerly welcomed. By friends it will be regarded as ominous. The impression must inevitably be created that the solidarity of the Empire is a myth and that those powers which would like to see the overthrow of British naval supremacy need not be discouraged in their efforts by the thought that their challenge would be met by the united resources of the Mother Country and of everyone of the daughter states."

Sir WILFRID LAURIER: Hear, hear.

Sir ROBERT BORDEN: As my right hon. friend has seen fit to pass a challenge as to whether our proposals or his own are most according to German conception, it is my duty to let him see that his own proposals have elicited a favour and an approbation from German public opinion which these tariff proposals could not possibly secure.

Since this war began I have not up to this time uttered one controversial word except to say that if there was to be a fight it would not be a one-sided fight. My right hon. friend has chosen this moment to open fire upon us with a vote of want of confidence, and to raise issues of a purely partisan and controversial character. I desire to inform him that we do not shirk from his criticism or from the issues which he raises, conscious as we are that, confronted by the most tremendous responsibilities ever imposed upon the shoulders of Canadian public men, we have striven in the past and will strive in the future to do our duty to this Dominion and to the British Empire.

Sir WILFRID LAURIER: I did not wish to interrupt my right hon. friend, and I now rise for the purpose of an explanation. My right hon. friend has alluded to a certain interview which took place between him and me previous to the session. He stated that he had given me the programme of what he proposed to do during the session. He told me, according to my recollection, that his intention was to make this a war session, and a war session only. He told me that the measures which he intended to bring down were an appropriation of $100,000,000 and an Act authorizing the issue of Dominion notes by the Government. He told me further that there would probably be some tariff changes. I do not believe that the right hon. gentleman told me anything else. In answer to that, I told him that I was quite satisfied to have a war session, and that if we on this side of the House were to bring down any question outside of a war question, we would give him notice of it. So far as I recollect, that is what took place between my right hon. friend and myself, and nothing else. I speak from memory, but upon this I believe my memory is right. I am sure I am in the right as to what took place between my right hon. friend and myself, and I have simply this to say to him: Everybody has a sense of honour. To me, confidential conversations are confidential, and are never revealed. If the right hon. gentleman chooses to bring this before the public, I have no objection; I have given my version.

Sir ROBERT BORDEN: I might say to my right hon. friend that he himself first introduced the subject by stating that he had not been consulted, and I esteemed it my right and my duty to state to what extent he had been consulted. He was consulted to the extent which I have already stated, and my statement in that regard does not, as I understand, differ materially from his own. I told him that we had a

fiscal measure to introduce, and naturally he knew as well as I that I could not give the details of it to him at that time. Besides that, I gave to him not only our programme, but a copy of every Bill which we had ready and proposed to introduce. To that extent I did consult my right hon. friend, and I am not aware that in stating that I gave him this information I am violating any breach of confidence.

Sir WILFRID LAURIER: If my right hon. friend means that we had an interview upon the tariff similar to the consultation that took place in England between Austin Chamberlain and Lloyd George, he is absolutely mistaken.

Mr. F. B. CARVELL (Carleton, N. B.): Mr. Speaker, I realize that it is not an easy task to attempt to answer the somewhat impassioned speech made by the right hon. leader of the Government, especially after he had travelled so far afield and imported into this discussion matters which to the ordinary man at least would seem to have been better left out. My right hon. friend the leader of the Government has almost found fault with his own side for answering the charges and arguments which have been put forward from this side of the House. Well, then, some of the arguments and some of the charges put forth from this side of the House must have been very potent. Only yesterday the hon. member for South Cape Breton (Mr. Carroll) was asked to give way to the Minister of Trade and Commerce, in order to give that gentleman an opportunity of answering our arguments; and to-day the right hon. leader of the Government has taken the place of two prominent followers who were supposed to speak this afternoon. He has taken the words out of their mouths and jumped into the debate himself. The arguments from this side of the House must certainly be doing something in the country, for they are doing a lot in the mind of my right hon. friend. My right hon. friend has seen fit rather to try to show that the leader of the Opposition has not been playing this game fairly, that he has not been observing the so-called truce. But the only evidence which he put forward was the statement that he went to the right hon. leader of the Opposition and gave him certain information; it is not necessary that I should refer to it at any great length because we have had the statements of both these gentlemen and the House can judge for itself. But my right hon. friend the leader of the Government has not met in the least the criticism of the right hon. leader of the Opposition. The leader of the Opposition referred to the condition of affairs that existed in England, where there was a real party truce, where the Opposition was taken into the confidence of the Government, where the chief censor was one of the leaders of the Opposition, and where the Opposition not only knew what was going on in connection with the war, but were given an insight into the financial measures proposed by the Government. If my right hon. friend would do himself the justice of reading what has been said by the right hon. leader of the Opposition, I think he would see that he has placed the matter in a very, very unfair light. And in case my right hon. friend has not read that statement I am going to trouble the House to listen while I read every word that the leader of the Opposition uttered on that subject. He was contrasting the attitude of this Government with the attitude of the British Government, and was trying to bring himself in line with the attitude assumed by the Opposition in Great Britain. The statement is found on page 885 of the Unrevised Hansard. After quoting extensively from the Saturday Review, the leader of the Opposition on that occasion said:

> I commend these words to the attention of the House. You will see that in Great Britain the Opposition were consulted by the Government as to their financial proposals. This is a matter of record and of history. I might go further than this newspaper goes and say that at all stages of the war, from the first to the present day, the Opposition have been kept in constant consultation by the powers that be; they were consulted as to military operations, and at every step were asked to give their advice. We were not so consulted. If we had been honoured in the same way—not that I claim anything in that respect, but representing here a great party comprising almost half of the population, having views of their own on many of the financial problems which now confront us, claiming to be as patriotic as the other side, and claiming to have done their duty as amply as was in their power—I say that, if we had been consulted, we should have been happy to give our views as to the policy to be pursued. I do not say that our views would have been accepted; but certainly there would have been an effort on my part at all events to give way on some of my own views, and I might have felt it right to ask the other side to give way on some of their views also, so that we might have been unanimous in policy as we have been unanimous in the objects which policy is to serve. But we were not consulted. I do not complain of this; I have no right to complain. But my hon. friend the Finance Minister has no right to complain either if to-day we have

to take issue with him, and take issue sharply, upon the propositions which he has laid before the House.

The whole point is in that one paragraph from the speech of my right hon. leader. The right hon. leader of the Government has dragged into this discussion the Navy debates; but I am not going to follow him in that, except to say that if the right hon. leader of the Opposition may have any troubled dreams over the Canadian naval question, I do not know what must be, not only the dreams, but the waking thoughts of the right hon. leader of the Government on that question. If my right hon. friend should have any troubled dreams over the naval question I do not know of any one who should be more afflicted, not only with dreams but with waking thoughts, in regard to the naval question than the right hon. leader of the Government, a gentleman who in 1909 subscribed to the only British, Imperial naval policy which was ever brought forward in Canada, a gentleman who in 1910 departed from that policy in order to obtain the votes of the men sitting behind him from the province of Quebec, a gentleman who adopted a policy in 1912 and 1913, which, if it had been adopted by the people of Canada, would have been absolutely futile for the simple reason that it never could have been accomplished and put in operation in time to be of any assistance during this present war. He turned down the policy which he had adopted in 1909, which was adopted by this Parliament in 1910, which was attempted to be carried into effect by my right hon. leader in 1911 and which, if it had been carried into effect, would have accomplished the object for which we intended it; that is, it would have afforded some means of protection to Canada and the rest of the Empire in this hour of need. No wonder my right hon. friend the leader of the Government leaves the chamber when any one commences to discuss naval affairs, I am surprised that he even stays in the chamber and discusses the question himself.

But this is not a question of the navy; it is a question of the Budget that we are discussing and for the few minutes that I purpose addressing the House I intend to confine myself strictly to the Budget and not to discuss the navy question. Any time hon. gentlemen opposite want to raise a naval discussion in this House, or on the stump, or anywhere else, they will not have very much trouble in finding some one who will give them a Roland for their Oliver.

My right hon. friend the leader of the Government has taken my right hon. friend the leader of the Opposition to task very severely because he says he has tried to create in the minds of the people a class distinction, that he has tried to place class against class, that he has tried to place the rich man against the poor man. If pointing out to my hon. friend the Minister of Finance, and to the country at large, that the logical result of the financial proposals which he has brought down means the placing of class against class, the placing of an unfair and unjust burden on the shoulders of the poor man and allowing the rich man to go scot free, we accept the challenge and we are prepared to discuss that in this House or on any platform or hustings and we are prepared to discuss it until the matter is, as it will be, finally settled by the people. After all that is the great issue brought up by the proposals of the Minister of Finance. My hon. friend the Minister of Trade and Commerce (Sir George Foster) yesterday, I must say, delivered a splendid speech in the House, a speech so different from that of his leader to-day or of the Minister of Finance a few days ago, a speech so different in tone, so different in argument, and on a much higher plane. While I am as sensible of political antagonism as perhaps any other man, yet I would not feel that I was doing my duty if I did not compliment my hon. friend the Minister of Trade and Commerce upon the high tone which he gave to the debate yesterday afternoon.

Sir WILFRID LAURIER: The good example.

Mr. CARVELL: Yes, on the good example that my hon. friend sets the House, and one which I am sorry to say has not been followed by his chief this afternoon. But even the hon. Minister of Trade and Commerce belaboured the matter for fifteen minutes in order to show that in England there was no opposition to the Government's financial proposals. In England the Government did not change their financial policy; they went on and raised their money by the same old method. In Canada the Minister of Finance is almost revolutionizing the fiscal conditions which have prevailed in this country during the last fifteen or eighteen years. When they are revolutionizing the fiscal system, and doing that in war time, our hon. friends opposite say:

You are disloyal, you are unpatriotic, you are unBritish, you are not good Canadians, you are not playing the game fairly when you challenge this proposition and challenge it by a vote of this House. I wondered if the Minister of Finance and other hon. gentlemen who have spoken had in view some of the gentlemen who sit behind him and who have themselves dealt with this proposition, I wondered if the hon. member for Rimouski (Mr. Boulay) would not rather have got out of this House without voting upon this question, I wondered if some other hon. gentlemen of the same family as the hon. member for Rimouski would not have been very much pleased if this proposal could have been adopted without putting them under the painful necessity of placing themselves on record either for or against it. These are only internal matters affecting my right hon. friend and his friends, but I only thought it wise to throw out the hint to let him understand that we are taking notes of what is going on and that we are listening to such speeches as that which came from the hon. member for Rimouski a few days ago.

As I understand these proposals, my hon. friend the Finance Minister says that there is, or will be, a great gap between revenue and expenditure for the coming year, and it is the duty of the Minister of Finance to make up that gap—not the whole of it; he does not profess that he is going to completely fill the gap. The Minister of Finance made half a dozen references to the fact that he had to find a million dollars a day, a burden which I admit would even tax the resources of a rich man like my hon. friend the Finance Minister. We have had this statement in his Budget speech and we had it put forward by the Minister of Trade and Commerce yesterday, that even with all these herculean efforts of the hon. Minister of Finance, he is only going to raise half of this amount. He says: I am going to have an enormous amount of trouble even to raise half of it, and I am going to have that trouble because of the unfortunate position in which you left me when you handed over this bankrupt estate in 1911. I was very much interested in listening to my hon. friend the Minister of Finance talking about that bankrupt estate. I have just read over what he said, and I am still more interested. My hon. friend used these words, and I will just read them to him lest he forgets. I think there must be a good many things in the two or three hours' address which he delivered that my hon. friend would like to forget, and while it may not be kind it is an absolute necessity to recall some of these things to his attention as I go along. He said:

> In estimating the value of an estate, do we not take into consideration liabilities direct and indirect, debts owing, notes in hand, endorsations, guarantees given by the decedent who left the estate? Is it a rich legacy, if the legatee with a certain sum of ready money, is left also the obligation of millions of dollars of liabilities? That is the kind of rich legacy that I have inherited as Minister of Finance—some ready money in the treasury, but obligations, not of millions, not of tens of millions, but literally of hundreds of millions of dollars of direct and indirect liabilities, that I have had to meet since I have become Minister of Finance of this country.

The hon. member then proceeded to enumerate some of these terrible burdens that had been cast upon his shoulders. The only thing which he mentioned in his remarks was that he had been compelled to pay a large sum of money on account of the Grand Trunk Pacific. The Grand Trunk Pacific seems almost to be something on the brain of my hon. friend the Minister of Finance.

An hon. MEMBER: Hear, hear.

Mr. CARVELL: My hon. friend says "here, here," and it is something that is on the brains of others. There is not a man in this House who does not, down in his heart, admit that the Bill providing for the construction of the Grand Trunk Pacific was the finest piece of Imperial legislation that was ever passed by the Parliament of Canada and I will tell you why. In the newspapers of these hon. gentlemen, and especially in the West, you will find the boast repeated again and again: Since this Government came into power they have got the grain out of the country. To-day it is no trouble to get the grain out of the country because transportation facilities were provided by the predecessors of these hon. gentlemen.

Mr. GRAHAM: Do not go back on the Minister of Railways.

Mr. CARVELL: No, my hon. friends will not go back on that. Then my hon. friends find fault with the Canadian Northern railway. There again they say: We have relieved the grain congestion. Relieved it because of the transportation facilities which had been provided. Then my hon. friend referred to certain other items of expenditure making up this $100,000,000, and yet all he could dig up was somewnere about $65,000,000.

Mr. W. T. WHITE: No.

Mr. CARVELL: I have the hon. gentleman's speech, and I will recall to him what he said. He said: We advanced $15,000,000 to the Grand Trunk Pacific; for implementing the bonds, we had to pay $5,000,000; in 1914, we had to lend that company $6,000,000 by an issue of Dominion notes; and we had to advance $33,000,000 on the bonds which we now have in the vaults of the country. That makes only $60,000,000.

Mr. W. T. WHITE: I interrupt my hon. friend to say that in my speech I called attention to the cost of the National Transcontinental, which during the last four years has cost this country $56,000,000.

Mr. CARVELL: I am afraid I have not read my hon. friend's speech with sufficient deliberation.

Mr. WHITE: I am afraid not. Does my hon. friend deny that I called attention to the fact that the cost of the National Transcontinental was $200,000,000, as against an estimated cost of $60,000,000 as given by the then Minister of Finance, and of $13,000,000 as given by the then Prime Minister?

Mr. CARVELL: I remember all that.

Mr. WHITE: There is a considerable gap between $200,000,000 and $60,000,000.

Mr. CARVELL: If my hon. friend will have patience, I will try to fill up the gap. My hon. friend must not get nervous about it. I have a few figures before me as well as my hon. friend has. I am quite well aware of what I am speaking, although I admit that I am not as important a personage as is my hon. friend.

I have shown how $60,000,000 is made up, and I will give the facts as to the rest of the cost. I will implement my hon. friend's statement. In 1912 the country expended $21,110,000 on the National Transcontinental. In 1913 it expended $13,767,000; in 1914, $12,670,000. By my hon. friend's estimate for this year, I understand he will expend $5,000,000. That makes a total of $112,547,000. Have I stated the proposition fairly?

Mr. W. T. WHITE: I think my hon. friend has left out 1914-15.

Mr. CARVELL: I have $5,000,000, which I have taken from my hon. friend's Estimates for 1914-15.

Mr. J. D. REID: Have you added up the amounts correctly?

Mr. CARVELL: Yes. Am I not treating my hon. friend fairly?

Mr. GRAHAM: It looks as if there were going to be supplementaries.

Mr. CARVELL: Therefore up to the present my hon. friend has expended $112,547,000. I admit that my hon. friend has spent a few million dollars on the Quebec bridge.

Mr. WHITE: How much?

Mr. CARVELL: Probably $4,000,000.

Mr. WHITE: $10,000,000 in the last four years.

Mr. CARVELL: I am taking three years of my hon. friend's time and one year of his predecessor's.

When my hon. friend came into power, he found a treasury full and overflowing, with millions of dollars of credit. He says that in the very year in which he came into office, according to his own figures and his own admissions, he had a surplus of $37,946,777. That surplus was not due to any policy of his, but was in spite of him, his followers and his policy.

Mr. W. T. WHITE: On what account?

Mr. CARVELL: On Consolidated Fund Account.

Mr. WHITE: What was the surplus for the year on both accounts?

Mr. CARVELL: I will come to that a little later on. I realize that I am not pleasing my hon. friend the Minister of Finance and that, although I am irritating him, I am afraid I must continue the operation.

In 1913, due to no virtue of my hon. friend, because he was only carrying out the trade policy of his predecessors, because he was only continuing the estate as he found it, he had a surplus of $56,630,366. In 1914, when my hon. friends were able to leave their impress to some extent upon the affairs of the country, that surplus dwindled down to $35,786,922. Therefore during those three years, before their work had really begun to tell, they had a surplus of $130,367,065 of ordinary revenue over ordinary expenditure, despite the fact that they had spent something like $45,000,000 or $46,000,000 in those three years on ordinary expenditure more than their predecessors did in the last year in which they were in office. If they had kept down the expenditure to the amount at which they found it when they

came into office, they would have had a surplus of $183,487,194 in those three years. My hon. friend speaks about this bankrupt estate and of having to pay out tens of millions and hundreds of millions of dollars; yet on the National Transcontinental and the Quebec bridge he could not figure up more than $112,000,000 and he had a surplus of $130,000,000 with which to pay it. But he will say: No, I had capital expenditure. I admit that. But when my hon. friends came into power, they instituted such a system of extravagance, of plundering of the treasury, of multiplying offices that were of no use, of getting rid of money simply to help out their political friends, as neither this nor any other civilized country in the world has ever known. To the pay-list of this country my hon. friends added no less than 10,500 employees, according to the evidence of my hon. friend the member for Guysborough (Mr. Sinclair), as compiled from a return brought down by this Government. Nine thousand of those employees are absolutely useless, the positions being created simply for the benefit of my hon. friend's political friends who were hungry for the spoils of office. For the maintenance of the ordinary business affairs of the country, this Government has paid out anywhere from 50 per cent to 80 per cent more than it cost when they came into power; for the management of Dominion lands, $1,482,000 more, or an increase of 80 per cent; for immigration, with immigration going down and reaching the vanishing point, $814,000 more, or an increase of 80 per cent; for Indians—and I do not know that there are many more Indians in Canada than there were before —$733,000 more, or an increase of 50 per cent.

I come now to my sanctimonious friend the Minister of Customs (Mr. J. D. Reid), the real political economist of them all, a gentleman who could not do a political wrong if he wished, a gentleman who never employed an official excepting under the greatest necessity, a gentleman who found a well-equipped service, with customs offices in every portion of Canada where there was necessity for them, and perhaps, he may say, in some places where there was no necessity for them. When he came into office, he could collect the revenue by paying out $2,187,000. Three years later, this economic gentleman found it necessary to expend $3,849,000 for doing practically the same work.

[Mr. Carvell.]

Mr. J. D. REID: Does the hon. gentleman, when he says "practically the same work," mean that the revenue was the same?

Mr. CARVELL: Certainly not. But does the hon. gentleman mean to say that if the clerks in a certain custom house have to make a few more entries day by day that he must therefore employ three or four more to help them? We all know something about the way the business affairs of this country are carried on. I do not think he would try to justify that, and it would be better for him not to do so. I give him that friendly advice, better let well enough—or bad enough alone.

Mr. J. D. REID: The employees in the Customs Department were doubled during the regime of the Liberal party.

Mr. CARVELL: There are many custom houses in this country where there was no opportunity for this Government to make political capital by doubling the employees and where they have not increased the number at all, though the revenue has gone up as much proportionately as in other places. In my own home town, for instance, the revenue, I suppose, has more than doubled in three years, and they have the same staff as they had before. And if it were double again in three years, it would not be necessary to appoint another man.

Mr. J. D. REID: They are better men.

Mr. CARVELL: Then, the hon. minister must have some mighty poor ones in other places in Canada.

Now, after going through all this orgy of extravagance, after multiplying expenditure in this country, after providing for public works at every crossroads, and after allowing the Minister of Public Works to spend nearly twice as much on revenue account as his predecessor, the Minister of Finance still had a surplus of $130,000,000 out of which to pay these "legacies" that he says were handed over to him. I wonder if he contends that we handed over to him the necessity of paying $16,000,000 to Mackenzie and Mann, or rather to the Canadian Northern Railroad Company, the second year after he came into office. Were we responsible for that?

Mr. W. T. WHITE: Certainly

Mr. CARVELL: Then, why did not the necessity arise when we were in power? The hon. gentleman had to pay his friends,

and the result is the country pays the piper.

Mr. MACDONALD: Who was responsible for the $45,000,000 last year?

Mr. CARVELL: I am coming to that. Does the hon. gentleman hold us responsible for his paying over $2,000,000 to his friend, Sir Rodmond Roblin of Manitoba?

Mr. W. T. WHITE: No.

Mr. CARVELL: I am glad he accepts that responsibility. He hands over this subsidy of $2,000,000 to Manitoba; and when the maritime provinces beg for justice and equal rights, he denies them. Does he hold us responsible for his paying over $2,000,000 as a subsidy to his friends in Ontario? —a subsidy to a Government-owned railway which was under lease to the Grand Trunk railway and had a secure earning capacity of $400.000 a year, more than enough to pay the interest on the investment? So a man could go over the whole category and if he took two hours he would not exhaust the illustrations of this squandering of money. But, after making all these enormous unnecessary expenditures, he had out of this "bankrupt estate" more than enough to pay all the "legacies" we had handed over to him, and still have fifteen or twenty millions to the good. I am not surprised that the Prime Minister made no reference to that branch of the case. It is unnecessary for me to labour further this branch of the argument. But I point out that the hon. Minister of Finance is not treating this country fairly, he is not stating the facts of the case, when he tells the people that he found a "bankrupt estate" and that he found it necessary to impoverish himself by paying out these enormous sums.

But there can be no doubt that the hon. gentleman finds himself in an unhappy predicament. He has told us—and the Minister of Trade and Commerce (Sir George Foster) laboured the point for a long time yesterday afternoon—that this war created the emergent financial condition that faces us in Canada to-day. These hon. gentlemen tell us that on account of the war they are compelled to do those things that they would not otherwise do. I am not going to repeat the figures given by the hon. junior member for Halifax (Mr. A. K. Maclean) at an earlier stage of this debate, but I will refer to them briefly. The imports are a pretty fair indication of the financial condition of a country because they exemplify the purchasing power of the people. Compare our imports in January before the war with the January of the previous year. Those imports dropped from $34,000,000 to $26,000,000. In February they were $25,000,000 as against $35,000,000 for the year before. In March the drop was from $45,000,000 to $34,000,000 and in April from $32,000,000 to $23,000,000. In May the imports fell off from $40,000,000 to $28,000,000; in June from $37,000,000 to $27,000,000, and in July from $39,000,000 to $26,000,000. The war conditions had nothing to do with that. Nor was it on account of non-production, because the country was producing as much as ever. Our exports were not decreasing to any great extent, though our imports were decreasing. I will not go into a history of the causes of that condition of affairs because it would take too long. All I say to the Minister of Finance is that he does not treat the country fairly when he tries to convince the people that the unfortunate condition in which he finds himself at the beginning of the war is due to the war. It is due to his own mismanagement and bungling; it is due to the fact that he did not conserve the revenue of the country as he should have done, he did not save his surpluses, he did not provide for a rainy day. As the hon. member for Kings (Mr. J. J. Hughes) said, he squandered his money like a drunken sailor; and when the banks began to shut down on western lands, investment and something like a panic came on, he found himself without means to meet the situation. Then came the war, and he had nothing on which to draw in his time of trouble.

Now, we have to face the condition of affairs as it is. There is no doubt there is a serious condition of affairs confronting the minister. The minister says he must devise ways and means to meet it. That is what we say. But, with all the omniscience which he takes to himself, he has not had very much trouble about it. He himself says, and therefore it must be true, that this thing did not bother him at all, because he saw his way through. As I wish to be sure to quote him correctly, I give his words as they are to be found at page 891 of Hansard:

> I have always been able to see my way through. I saw my way through in the year 1913, when, in the midst of that great financial stringency brought about by the Balkan war and by the shadow of this great war cast before, I was struggling with the consequences of that ruinous railway policy launched by hon. gentlemen opposite. In the midst of this war which is not only the greatest war in the history of the world, but greater, as I said the

other day, than the aggregate of all wars up-to-date, I see my way through, just as I saw it through in August last, when the outbreak of this tremendous trouble threatened to overwhelm the finances and the commerce of the world. I saw my way through then. I see my way through now, and at no time since the outbreak of this war have the prospects been so good, so far as this country is concerned, as they are to-day.

My hon. friend saw a great many visions when this war unfortunately burst upon us on the 4th day of August, 1914. For three years he had been trying to do something for the special interests to which he owed his position in public life. He saw that the people of Canada would never allow him to do what his friends would like him to do, and that the only way in which he could accomplish his end would be to act under some emergent condition. My hon. friend saw that he was not keeping his pledges; he saw that he was not able to do what he had promised to do. When the war came he saw that the way was open to him, and in the August session of Parliament he commenced to increase the duties upon manufactured articles and to place duties upon some goods formerly free. At that time I pointed out that while we were not opposing his proposals, the consequences of his method of taxation would be objectionable. My hon. friend at that time himself foreshadowed tariff changes at the next session of Parliament. He knew exactly what he was going to do; he knew that he was going to impose upon the people of this country a protective tariff worse than has ever been known in Canada, and as bad as any which has ever been imposed in the United States. My hon. friend, therefore, is secure in saying that he "saw through" these things; in the proposals which he has brought down, he is merely carrying out the things which he foresaw last year. He reasoned with himself thus: If I reduce the expenditure of this country to what it ought to be, or to anything like what it was when I assumed office three years ago, I shall not have to impose any more taxes, and I shall not be able to carry out the policies which will please my friends. As a result of this reasoning, therefore, my hon. friend boosted the expenditure. It is true that he brought it down a little lower than it was during the previous year, but he asked for an expenditure of $180,000,000 or $190,000,000 to carry on the affairs of the country, entirely aside from the amount required for war expenditure. Any reasonable businessman, any reasonable financier, or even a reasonable politician, would take the other course and proceed to reduce expenditure instead of increasing it. In all the arguments which my hon. friend has put forward on this subject, he has never said that he cannot reduce expenditure; he argues that he cannot stop spending money. He said the other day that if a private individual wanted to close down his business, he could do so. Every one knows that the business of this country cannot be closed down; the Minister of

5 p.m.

Finance cannot do it, and nobody wants him to do it. All we want the minister to do is to be reasonable; to reduce expenditure. If he wants any better evidence than I can give him of the desirability of taking this course, I direct his attention to what was practically an admission on the part of a former Minister of Finance (Sir George Foster)—a man who knows something about finances—that the ordinary expenditure of this country could be cut down to the extent of $30,000,000 a year. Nothing in the whole speech of the hon. Minister of Trade and Commerce yesterday afternoon, able as it was, so impressed me as that almost straight admission on his part that the Minister of Finance could have reduced the expenditure by $30,000,000. But the minister expects to raise only about $30,000,000. He admits that he is going to have a deficit of $30,000,000 or $40,000,000 at the end of the financial year. If he had done what his colleague almost said he could have done, he would have closed up the gap between revenue and expenditure and would have obviated the necessity for special taxation. But if he had done that he would not have given any protection to the manufacturers. My hon. friend became indignant a few days ago when my honoured leader intimated to him that the net result of this tariff would be increased protection. It is true that my hon. friend said that his indignation was due to the intimation of the right hon. gentleman that that was the object of the tariff increases, but I am going to deal not with what my hon. friend's object was, but with what the results of the proposed legislation will be.

It has been argued by the Finance Minister, by the Minister of Trade and Commerce and by the Prime Minister that in order to get revenue you must tax free goods or raw materials. I admit that there may be times of national stringency when a tax should be imposed on raw materials, but I do not believe that the time has come for taking that course; on the contrary, I believe we are a long way from any such necessity. But hon. gentlemen say that they have to

tax raw materials. The hon. Minister of Trade and Commerce told us yesterday afternoon that last year we imported $208,000,000 worth of free goods. If the same amount be imported this year and taxes of 5 and 7½ per cent be paid thereon, the treasury will get between $10,000,000 and $13,000,000. But here is where the fallacy of this argument comes in. Hon. gentlemen say that if you increase the taxes upon the raw materials, you must increase the duty upon the manufactured article. That may be true to some extent, but when you increase the duty upon the manufactured article to the same extent that you increase the duty upon the raw product, the only person you treat fairly is the manufacturer. I do not know exactly what proportion the cost of the raw material would bear to the cost of the manufactured product, but I think I am safe in saying that cost of the raw material would amount to not more than one-third of one-fourth the cost of the finished product. My hon. friend says: we compel the manufacturer to pay 5 or 7½ per cent upon the raw material which he brings into this country; therefore we should allow him a charge from 5 to 7½ per cent more for the finished product. Let us take a few examples. Automobiles are now being purchased by people of moderate means as well as by the richer people; the automobile is an article which every man wants who is able to have one. I suppose that the duty upon the raw material entering into the manufacture of an automobile would be about half the duty upon the finished article. The extra duty upon wool would not amount to one-fourth, one-fifth or one-sixth of what it would be on the finished product. The cost of raw cotton would be probably one-half the cost of the finished product. In the case of furniture, the cost of the raw material would be probably one-tenth of the cost of the finished product. And so on; in every case there is a pronounced discrepancy between the cost of the raw material and the cost of the finished product. The illustration which is afforded by boots and shoes probably emphasizes more clearly the point which I am trying to make than that afforded by any other article of commerce produced in Canada.

Sir WILFRID LAURIER: A tender spot.

Mr. CARVELL: Yes, it is. I notice that one witness said yesterday you had to have tender boots because you had tender feet. I am going to discuss this matter from the cold standpoint of dollars and cents. There is probably no article of consumption in Canada that is so wholly manufactured within our own borders as boots and shoes. The duty, I am sorry to say, was high enough before; in my judgment it was much higher than it should have been. I know my friend will say: Your Government are responsible for that. They have some sins to answer for and I am willing they should answer. Now during last year we imported altogether of boots and shoes, as nearly as I can find from the trade returns, $4,349,000 worth of boots and shoes, upon which we paid $1,135,000 in duty and, of course, if on the same quantity of boots and shoes you added an extra 7½ per cent import duty—because the imported shoes all come from the United States—you will find that there would be in the vicinity of $300,000 extra duty. I do not know exactly what would be the actual cost per person for boots, but I have assumed that it would be $5 per person for boots in Canada. I know that estimate is low enough, and I am of the opinion that the average would be very much more than that, it might go up to $7 or $8 a person; but certainly $5 would be the minimum per capita cost of boots in Canada. If you have 8,000,000 people in Canada, that would mean a total cost for boots and shoes in one year of $40,000,000, and if we have imported $4,000,000 or $4,500,000, then that gets you down to $35,000,000 worth of boots and shoes manufactured in Canada. I do not think my hon. friend can get away from that. As the imported boots and shoes all come from the United States, you have a right to add on the 7 or 7½ per cent as extra cost to the people of Canada because the shoe manufacturers—and I am not finding any fault with the boot and shoe manufacturer, he is just an ordinary human being like the rest of us—being given a right to add on just enough additional price to keep out the foreign product, will add it on, and as there is enough duty now to keep out the foreign product if you add an additional 7½ per cent that will be added to the price, the foreign product will still be kept out.

Mr. BURNHAM: Is that fair? Does the hon. gentleman mean to say that the price of boots and shoes in this country has gone up in accordance with the tariff?

Mr. CARVELL: Certainly it has.

Mr. BURNHAM: Certainly it has not.

Mr. CARVELL: Certainly it has. There is not a commodity in Canada that has not gone up or will not go up. The hon.

member talks about things going up. I was in Montreal the other day, and wanted to buy some new spark plugs for my automobile. I went into a store and they gave me a bill and added on the 7½ per cent on the bill.

Mr. BURNHAM: That may be.

Mr. CARVELL: On everything, no matter what it is, the price goes up; and it will go up on boots and shoes just the same. These people were more frank than usual because they gave me a bill of the goods and added on 7½ per cent. If you add that additional 7 per cent you have $2,500,000 as additional cost added to the people of this country for the boots and shoes, and let us see what the Government will get out of it.

Mr. SCOTT: Is the hon. member's argument based on the idea that the increase of 7½ per cent will be an increase of 7½ per cent in the selling price of shoes?

Mr. CARVELL: Certainly, more than that, because there is also the profit on the 7½ per cent.

Mr. SCOTT: I want to say from my knowledge of the business—

Mr. CARVELL: If my hon. friend wishes to ask me a question I have no objection and I would treat him courteously, but one speech at a time is probably quite enough. I have given a little illustration of what I found. Illustrations have been given by hon. gentlemen for the last three or four days. One hon. member read a circular sent out by a supply firm in Montreal stating that on all articles 7½ per cent will be added. Every man will do that, on boots and shoes just the same as the others; and it will cost the people of this country $2,500,000 more for boots and shoes. I want to be fair to gentlemen on the other side. I admit the Government will get some taxes out of boots and shoes. From the blue books I find that last year we imported of leather $1,246,000 worth, upon which the Government received $179,000 in taxes; and under the new arrangement on the same amount of imports they will receive about $85,000 additional. Last year we imported of hides $8,770,000 worth, and, assuming that we import the same quantity this year that we did last, with the additional 7½ per cent duty the Government will probably get $600,000 additional duty. A large part of the leather from these hides goes into saddlery, belting, etc., but I am allowing $500,000 additional for boots and shoes. In other words, under the trade returns of last year, the Government will get, say $600,000 of additional revenue and the people of Canada will pay $2,500,000 more than they are paying this year for their boots and shoes. That is the natural result of the imposition of these taxes, a horizontal rate between raw materials and finished product.

Mr. MEIGHEN: Did the hon. gentleman not support the late Government which raised the duty on shoes by 5 per cent?

Mr. CARVELL: One gets nauseated and tired of this tu quoque argument. I was honest enough, more honest than my hon. friend ever was in discussing a matter in this House, to say that, in my judgment, the duty on boots and shoes was greater than it should be. I said that to-day. I said that last year, I always have said it, and I do not think the Solicitor General is going to cover himself with any great glory by asking foolish questions of that kind. I condemned the former duty on boots—

Mr. MEIGHEN: Only since you got over there have you condemned it.

Mr. CARVELL: If I was unkind enough to return the tu quoque, I should say that the best speech the hon. gentleman ever made in this House was made in pleading for a reduction of duty on agricultural implements; and now the hon. gentleman will stand up and not only vote for this increase of duty, but defend it. I am not employing the tu quoque argument. I do not care what he did when on this side of the House; I am trying to argue on things as they are to-day. Let me show my hon. friends the real position of things to-day, when this country is at war, when every person ought to be straining every effort to bring this war to a successful conclusion, when the Government of this country have no right to tax the people white in order to satisfy and placate their political friends over the country, but when it ought to be the duty of the Government to try to treat the people fairly, to make the cost of living as low as possible consistent with raising a revenue. Those are the things I am trying to point out, and not what I or my hon. friend may have voted for three or four years ago. The Tory party never seems to realize that this world moves, and that what may have been true 100 years ago may not necessarily be true to-day, that what was true ten years ago may not be true to-day. The mere fact that my hon. friend interrupted my argument shows that

it is absolutely unassailable; and as the Solicitor General is to follow me, I invite him to answer this proposition and to show that the people in this country will not pay five times as much to the boot and shoe manufacturing concerns as the Government will get out of the increased duty on boots and shoes and leather and raw products by adding the 5 per cent and 7½ per cent duty on boots and shoes and raw materials that enter into them.

And since my hon. friend has interrupted me, I hope he will do me the courtesy and the justice of at least trying to explain away this one point: Have I not pretty effectually answered the arguments of hon. gentlemen opposite? I say that if the duty on the finished product is increased by 5 per cent, the duty upon the raw material ought to be increased by 15 per cent; and then the manufacturers would be compelled to pay something into the revenues of this country, and they would not be able to turn around and charge their customers more than they are paying to-day; for if they raised their prices beyond that point the foreign article would come in. For instance, the home manufacturer has his boots and shoes priced just low enough to prevent foreign-made boots and shoes from coming in. If what I have suggested were done, some sort of equilibrium would be created between the raw material and the finished article; and the manufacturer would be compelled to pay something to the Government in the way of revenue, and would not be able to make any extra profit out of the common people in the sale of his articles. And what is true of boots and shoes is true of almost every other article in the whole commerce of Canada. You can take article after article ad infinitum, and you will find exactly the same thing. Therefore I think I am perfectly right when I say that the cost of the manufactured article is at least three times as much as the cost of the raw material, and that, to be logical, you should increase the duty on the raw material by three times the duty on the finished product. My hon. friend might ask: Would you advocate that? No, never. I hope I shall never be guilty of advocating such a policy as that. I would never advocate a policy that would increase the ordinary burdens of the people of this country at a time when they were bending their energies and spending every possible dollar in order to carry this country and this Empire through such terrible conditions as are confronting us to-day.

I would reduce the expenditures of this country and get down to something like decent, honest Government. I would get rid of the horde of unnecessary officials and of all the little armouries that are being built at country cross roads in Ontario. I would get rid of all these things, and do business on business principles, and then it would not be necessary to increase the duty on the raw material or on the manufactured article. My right hon. friend the Prime Minister threw back at us this afternoon that nobody on this side of the House had made any proposal to get around the difficulty, and the Minister of Finance the other evening said that only one hon. gentleman on this side of the House, the hon. member for Saltcoats (Mr. MacNutt), had made even a suggestion how to meet this great gap between revenue and expenditure. I have tried to point out to the Minister of Finance what I would do were I in his place, but the ordinary dictates of business management should have suggested these proposals, without them having to be called to his attention by members on this side of the House. But he does not seem to understand.

I am going to tell him a few more things that I would do if I were in his place, and it is no use his coming back with the tu quoque argument: why did you not do it when you were in power? Well, in the first place, when we were in power it was not necessary to do these things. When we were in power there was no great Imperial war on, as there is to-day. There was a war from 1899 to 1902 in which Canada took a part; but the cost was not very great, and there was no increase in the duties, no increase in the burdens of the people. From the day the Liberal party came into power in 1896 down to when they went out of power in 1911, there was nothing but one long succession of surplus after surplus, and it was not necessary to resort to direct taxation or to those means of raising the revenue which are adopted in countries that find that problem difficult. Not that the tariff under the Liberal party was not high enough, even higher than it ought to have been. I will say that, if it is of any comfort or assistance to my hon. friend the Solicitor General. I say that when the Liberals were in power the tariff on goods coming into this country was as high as it ought to have been, and in many cases much higher; and if my hon. friends wants to point out cases I do not think that he and I will get very far apart. Take wool for instance. I say the tax on wool was exorbitant. Or if he takes boots

and shoes I agree with him. I agree that the duty was higher than it should have been on dozens and dozens of articles which enter into the home of the ordinary working man. But, because this party erred, it should not be flung back in my teeth that I am not sincere in the arguments I put forward. I am not responsible for the tariff as it existed then. What I say is that the tariff as it existed in 1911 was such an improvement on the tariff as it exists to-day, that a man does not have to be an out-and-out free trader in order to show the inconsistencies and unfairness of the present proposals.

I would try my utmost to increase production in this country. I would not try to discourage those who are trying to raise products to the best of their power. I would not put a duty on fertilizers. My hon. friends may say, now you are talking shop, or something narrow. But let me tell my hon. friends that the duty on fertilizers is no small thing to the district I represent. Let me just give some figures. The total importation of fertilizers into the whole of Canada for the last fiscal year was valued at $602,148, and I have here a return from the Commissioner of Customs showing that of that amount, $118,000 was imported into my own town of Woodstock in New Brunswick; that is, about one-fifth of the total importation into Canada went into my home town. I also find that $10,000 went to the town of Debec, only 12 miles away; and I see that St. John and St. Stephen took $50,000 more; so that almost $200,000, or nearly one-third of the total importation of fertilizers, went to the province of New Brunswick.

Mr. HAZEN: Is that manufactured fertilizers?

Mr. CARVELL: Practically all, yes. Pretty nearly one-third of the total importation went into the province of New Brunswick, and three-fourths of that into my own constituency. In addition to that, enormous quantities are manufactured at home. I know that $400,000 of fertilizer is used in my own constituency, and yet my hon. friend the Minister of Finance is putting a duty on that. He is asking the New Brunswick farmer to produce more than he did last year, and at the same time he is putting a tax upon the very thing which the farmer must have in order to carry on his agricultural operations. Is that logical? But my hon. friend never attempted to be logical in the imposition of this tariff. Logic is the last thing which he had in his mind. He simply said, I will import from the Manufacturers' Association their tariff expert, and hand these things over to him. The tariff expert simply puts 7½ per cent on everything, whether it goes to the farmer or the rich man, and regardless of whether it is logical or not. Perhaps my hon. friend does not realize that one of the important ingredients in fertilizers is potash, which comes altogether from Germany. The ordinary commercial mixture is what is called a four, six and ten, that is, four of ammonia, six of phospherus and ten of potash. The very best you can purchase to-day is four, eight, four; that is four of potash instead of ten.

You can only get 4 per cent of potash where you usually get 10 per cent. We are compelled to pay a higher price this year than we were last year. Without this article we cannot successfully carry on our farming operations. While we paid $4 a ton last year, this year we are going to pay nearly $6.50 or $7.50 a ton. The result will be that men will not buy it and they will not be able to carry on their operations as they have done before. I am pointing out to the Minister of Finance the result of this illogical tariff, the result of putting on a tax to get around a little difficulty in order to help his manufacturing friends.

Mr. WILCOX: Does my hon. friend know how much of this fertilizer is usually applied per acre?

Mr. CARVELL: Yes, I do, and I will tell you all about it, because it may surprise you to know it, but I am a farmer myself. If you are going to use fertilizer on grain land you will require to use 300, 400 or 500 pounds to the acre; for potatoes you will require to use from 1,500 to 2,000 pounds per acre and if you want a particularly heavy crop you will have to use a little more. For different crops you will have to grade it according to the necessities of the case. The first thing I would do would be to delete that part of the tariff and reduce the cost of fertilizer. I want to do everything I can to induce people to produce two blades of grass where one was produced before, to produce two bushels of oats where one was produced before or to produce two bushels of wheat where one was produced before. I want to see the agricultural people of this country encouraged to produce more than they ever produced before. What this Empire needs is agricultural produce more than anything else I know of. This Empire needs all the food products that it can

possibly raise. My hon. friend the Minister of Agriculture (Mr. Burrell) is going all over Canada preaching the propaganda of patriotism and production and the notices of the meetings I receive are surmounted by the flag. That is all right, I have no fault to find with that at all. I wish God to speed him and I hope that he may succeed in his campaign to bring about a greater production than we have ever known before. But the Minister of Finance comes along and at one swoop puts one part of the country at least in such a position that it is absolutely impossible to go on and produce anything like the crops that have been produced during the last three or four years.

The next thing I would do is this; I would see that as far as possible these taxes were so adjusted that the rich man would pay his share and not put them on the shoulders of the poor man. These hon. gentlemen will tell you that this is not an ordinary fiscal policy, they will tell you that this is an emergent condition of affairs, that the Empire is at war, and as the Prime Minister said to-day, it is the duty of this Government to keep at war until the war is finished. We agree with that. We tell the Finance Minister that if he wants to have more money than the ordinary revenues of the country will produce it is his duty to place his request before the House and take a vote upon it. We say to him: bring down your vote for $100,000,000 and give us an opportunity of voting for it; we want to help you to carry on this just war and we are anxious to know why you have not brought forward your vote of $100,000,000 because when you do we will vote for it; if $100,000,000 is not enough then make it $150,000,000 and we will vote for it just the same; we are not going to ask you questions as to how you are going to expend it; we will have to trust you to spend it and when we come back later on, or next year, it may be our painful duty to criticise how you spent it as we have now to criticise how the money voted last session has been expended. In the meantime you can go on and spend it. But if the Minister of Finance says that he has to put additional burdens upon the shoulders of the people of this country let him not place those burdens on the backs of those least fit to bear them.

The principal method by which he proposes to raise these taxes is by tariff taxation. I have discussed that. I have pointed out that while he is going to get some additional revenue—not very much—he will get some additional revenue on raw materials and on manufactured articles—he will find that the revenue will not be as much as he has figured it.

He has resorted to a principle which I commend very heartily and that is the principle of direct taxation. But here again my hon. friend has entirely exempted his financial and monopolistic friends from the operation of this tax and has put the burden upon the shoulders of poor people. My hon. friend smiles. This matter was considered so important that his leader this afternoon had to take up an hour in order to answer the case made by my right hon. friend the leader of the Opposition two days ago. Let us see what he is doing. He says: I am taxing the banks. I give him credit for that and I have no fault to find with the banks either. He says the Bank of Montreal is going to pay $135,000 a year. The Bank of Montreal is paying to its shareholders $1,500,000 a year in the way of dividends and he is taking $135,000 out of them. The stock of the Bank of Montreal is as high as it ever was before the war. I do not think that it has dropped more than three or four points since the outbreak of the war. The stock of the Royal Bank has only dropped two or three or four points. The stock of all these banking institutions is as valuable as it was before the war. Why? Because the banks are making just as much money as they did before. I am finding no fault with the banks, but when the banks are able to pay 10 per cent, 12 per cent, and in some cases higher dividends, they can afford to make some sacrifices. While I give my hon. friend credit for imposing taxation upon the banks my criticism is that the taxation is only half what it ought to have been.

Then he has imposed a tax on the average man, the man who travels on the railway, and we know that such a tax affects the ordinary man much more than it does the rich man. That has all been argued by my right hon. friend the leader of the Opposition. We have heard the attempted answer of the right hon. the Prime Minister. He cannot get away from the fact that he is imposing taxes upon the poor man to a greater extent than on the rich man. Then, coming to the question of express receipts, we all know that the rich man does not get express receipts. Express receipts are only for small amounts of money transmitted by the ordinary, poor man. The express company does not pay the tax. The tax is paid by the people themselves. Then you come to the postal revenue. If the Govern-

ment feel that it is necessary to impose this tax I do not know that I am finding so much fault with it. Probably the wealthy classes will pay their fair share of the burden resulting from the taxation upon letters and post cards. While I am not blaming that feature of the proposal of the Minister of Finance I very much doubt whether he will receive from this source of taxation anything like the revenue which he ordinarily would receive or which he hopes to receive. We have had experience in regard to this matter in the past. We know what happened in 1896 and we know what happened in 1897 when the postal rate was reduced. We know that the postal revenue immediately jumped, that it kept on bounding, and to-day it is away beyond what my hon. friend could have imagined it would have been fifteen or sixteen years ago. I am afraid that the imposition of this additional fifty per cent in the case of letters and 100 per cent in the case of post cards is going to defeat the object which the minister has in view. But if he feels that this is a proper method to adopt I dare say the rich man will pay his proportionate share of it. But there is a class of manufacturers and wealthy men which my hon. friend has not reached at all. Why has not my hon. friend levied a tax on the railways? There is not a railway in Canada that practically has not been built for the stockholders by the people of Canada.

An hon. MEMBER: Take the Grand Trunk Pacific.

Mr. CARVELL: CertainlyI take the Grand Trunk Pacific, and if there is a railway in Canada that ought to pay a tax it is the Grand Trunk Pacific. The trouble is that when my hon. friends have something put up to them which they cannot answer they commence to jibe at it.

An hon. MEMBER: They cannot pay.

Mr. CARVELL: The Grand Trunk Pacific can pay, the Grand Trunk can pay, the Canadian Pacific Railway can pay and the Canadian Northern can pay. Every one of these railway systems has received practically every dollar put into it from the people of Canada, and they should be compelled to pay. But it would not suit my hon. friend the Minister of Finance to impose a tax upon those railway magnates. Why should not the street railway companies make some sacrifice to meet this horrible burden which my hon. friend is carrying upon his shoulders? Why should not the telegraph companies contribute something towards meeting the deficiency? Why should not the telephone companies pay something? There are few more flourishing corporations in Canada than the telephone companies, and they will flourish to a greater extent in the future, because there is no public utility which is being increased to a greater extent than is the telephone. Why has not my hon. friend imposed a tax upon express companies? According to the investigation made by the Railway Commission a few years ago, it was demonstrated that the capital invested in an express company was practically nil, and that its profits were enormous. Why does not my hon. friend tax life insurance companies? For the life of me, I could not understand why he imposed a tax upon fire insurance companies and not upon life insurance companies. Why does he not impose a tax upon the large industrial corporations of Canada? He is giving his friends the manufacturers the right to charge the people of this country prices such as they never dreamt of before, and they are charging them and they will make enormous profits. Why does he not make them pay back some of the extra gains they will make as a result of this tariff? I suppose the answer is that it would not please his friends the manufacturers if he compelled them to pay something back into the treasury of the country.

Mr. BURNHAM: How are the people going to pay this 7½ per cent tax to the treasury and also to the manufacturers?

Mr. CARVELL: That is exactly what I would like to know. How are they going to pay this 7½ per cent tax when the other fellow pays nothing? My hon. friend does not appreciate my argument. I am finding fault with the Minister of Finance because he is making the people pay 7½ per cent tax and letting the manufacturers go free. He should levy a direct tax on the magnates in such a way that they cannot get back at the people. Except in the case of the banks—and I am afraid that we shall pay the piper there—my hon. friend has imposed the tax in such a way that the magnates will get back at the people. Let the magnates stand some of the sacrifice which the ordinary people of this country are so willingly standing in order to work out this great war scheme.

Mr. BURNHAM: That was not the question I asked. If the people pay the tax to the manufacturers, how are they going to pay it to any one else? You say that the

magnates get the benefit of the tax. If so, then the war tax is not paid by the people to any one else. That is clear.

Mr. CARVELL: The trouble is that the war tax does not go to the public treasury at all. It goes to the manufacturers. If this extra 7½ per cent went into the treasury, the matter would not be so bad because then the people would get some benefit, and my hon. friend the Minister of Finance would not have to resort to new taxation. But the amount which the people pay does not go into the treasury; it goes into the pockets of the manufacturers. I want the minister to find some means of getting the money back from the manufacturers. If under his fiscal system, he is determined to give $50,000,000 a year of additional profit to the manufacturers over what they are able to earn to-day, surely they ought to pay back at least $25,000,000 of that in the way of direct taxation. How do I figure that $50,000,000? I have shown that the boot and shoe manufacturers will clean up at least $2,000,000. The raw materials imported into this country this year will be worth at least $150,000,000. On those importations the Government will get $10,000,000. The manufacturers will convert that raw material into manufactured articles, and I believe that they will be able to sell them at an increase of four or five times as much as the duty collected by the Government. Therefore my estimate of $40,000,000 or $50,000,000 that the manufacturers will take out of the pockets of the consumers of this country is a very modest one.

My hon. friend says: You have not said anything yet about the real subject matter of the amendment of your right hon. leader; you have not said anything about the British preference, and you have not given any reasons why you should vote for this amendment. I noticed that the right hon. Premier this afternoon laboured for forty minutes by the clock—and I timed him—trying to show that under this arrangement the British manufacturer would get a preference in the markets of Canada greater than he ever had before; that he was going to get a new preference. My right hon. friend the Premier also came back to the tu quoque argument, saying: What did you do in 1907? This is what we did in 1907. We listened to the earnest protestations and pleadings of certain manufacturers in this country, and we increased the burden upon the people by decreasing the British preference. The people of this country, in so far as that change was made, paid more for their goods than they should have paid, and more than they would have paid if that British preference had not been decreased. Perhaps I may be a selfish mortal, but I am viewing the tariff proposals of my hon. friends from two standpoints. I am viewing them from the standpoint of the British manufacturer. The British manufacturer and the British artisan, and every one in Britain to-day who is fighting the battle of liberty not only for the Empire, but for the world, are the real bone and sinew of this gigantic struggle. I am also viewing those proposals from the standpoint of the Canadian consumer, because it is his duty to do his share in fighting this battle of liberty for the Empire, and in doing so, is fighting this battle of liberty for the world. To the same extent that you reduce the purchasing power of the Canadian consumer, you reduce his power of contributing as he ought to contribute in order to work out this great war scheme. My right hon. friend the Prime Minister argued for forty minutes, and the Conservative press has been arguing unceasingly in order to show that in some way or another my hon. friend the Minister of Finance has given the British manufacturer a greater preference than he had before. They say: If you take 20 per cent and 30 per cent as being the basis of taxation for the British preference and the general tariff respectively; if you import $100 worth of goods from Great Britain, the duty under the old arrangement is $20; if you import $100 worth of goods from the United States or from any other foreign country, the duty is $30. Under the proposed arrangement, the duty on the British goods will be $25, and on the goods from the United States or from any other foreign country, $37.50. Whereas the tax before was $10, it is now $12.50, and therefore there is $2.50 extra British preference. The percentage of increase, however, in the British preference is 20 per cent, exactly the same as the percentage of increase in the general tariff. What is the use of speaking of an additional 2½ per cent preference when you put the rate so high that it is impossible to do business. There is the difficulty. My right hon. friend might say: I will raise the British preference by 25 per cent and I will raise the general tariff by 35 or 40 per cent. You will increase their protection as compared with the foreign producer. But you have stopped the flow of the water; and if the British manufacturer cannot get the goods in, even a protection of 100 per cent

is of no use to him. I fear that by these proposals the Minister of Finance is making the wall so high—and I think he had a shrewd suspicion of it himself—as to prevent the inflow of British goods into Canada, and so he will not only make the consumer in Canada pay more, but will injure the British manufacturer as well. And if there is a man to whom all Canadians, and all true British subjects, should look and whose interests should be guarded, it is the British manufacturer, the man who, as I have said, is the backbone of this war, the man who must pay the money, the man from whom the minister himself is borrowing every dollar that he is using in carrying on the war. There is no doubt that if you argue it as a matter of percentage only, there is a greater spread between the cost of sending in American goods and the cost of sending in British goods than there was. But if you have made the wall so high that you are going to stop the import of both, then, though I would not find so much fault about stopping the American imports, we on this side do find fault—and that is the real object of the amendment—with anything that is done to hinder the British manufacturer from carrying on business and earning the money which he is so cheerfully paying for the purpose of this war.

I cannot make this thing plainer than by quoting a paragraph from the Ottawa Citizen. It refers first to a statement from the Toronto News, which newspaper, I think, was the originator of this fallacious argument that the British preference is increased by these proposed duties, and then comments upon that statement:

> "The Daily News does not argue, as the Ottawa Citizen contends, that the new tariff reduces the taxes on goods from Great Britain. It has said that the British preference is increased. As a matter of fact the taxation on foreign goods is increased by 7½ per cent and on British goods by 5 per cent. This means 2½ per cent increase in the preference."—Toronto News.
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> What the News then should say is that, relatively, the British preference is increased but, actually, it costs 5 per cent more to bring British goods into Canada than it did before Mr. White's war budget. Isn't that the case? And are we dealing in such matters with theories or with facts?

I need not elaborate further; the whole case is boiled down in that little paragraph. Is it not a fact that we are making somebody pay five cents on the dollar more to get British goods into Canada than before this tariff came into effect? I do not argue whether that is to be paid by the British manufacturer or by the Canadian consumer—somebody must pay it. And not only that but somebody must pay on every article of a similar character that is manufactured in Canada.

There is another point which has already been dealt with and to which I shall only refer, and that is the extra handicap upon British trade through increased freight and insurance. Surely these discouragements to trade between Britain and Canada should be enough without the Government taking the unpatriotic stand of raising higher the tariff wall against that trade. An hon. friend behind me reminds me of the freights on lumber. Of course, lumber does not come from Britain to Canada, but the increase in freights in lumber is an illustration of freights generally. When this war opened the freight on lumber was 2s. 6d. per standard. To-day it is 7s. 6d., or three times as great as it was eight months ago. And what is true of lumber going to Great Britain is true of cottons, woollens and other goods coming from Great Britain to Canada. It does seem that this should have been a sufficient burden upon British trade with Canada without this Government putting on an additional 5 per cent which somebody must pay and which will discourage trade to that extent.

There was another matter to which I wished to refer, but I have already spoken longer than I had intended, and it is almost six o'clock. Let me summarize in a few words what I have already said. I tried to point out to the Minister of Finance the questions at issue between us. In the first place, if the Minister of Finance had carried on the affairs of the country with due regard to economy he would not have been compelled to raise additional revenues, because with the revenue which he would have raised in the natural order of things he would have had a surplus and not a deficit. I pointed out that if there be an unfortunate condition of financial affairs the fault is not ours, but the burden of responsibility rests upon the shoulders of the Minister of Finance. I have pointed out as best I could, that the result of his tariff proposals is not to encourage but to discourage trade, and not to increase revenue but rather to decrease revenue; yet, though he is decreasing revenue he is increasing the cost of nearly every article that the ordinary man must use. I pointed out that another result will be to place an additional obstacle in the way of British trade with Canada. And if the Prime Minister thinks it necessary to read a lecture

to us, to throw out a challenge to the effect that if we persist in putting forward our views on these great financial problems in opposition to his, he will fight us and fight us at once—why, that is his business; it is a matter of entire indifference to us. We realize that the right hon. gentleman has the power to go to the country and have an election if he wishes to do so;—that is, if His Royal Highness has not the same mind on this subject as he is reported to have had in the month of August last. Let that be as it may, there is no use in a Prime Minister wielding the big stick and saying to us: If you persist in putting forward your views to the people and do it to the extent of compelling our people to vote, you will get a thrashing. We are prepared to take the thrashing or whatever else may come. If, on the other hand, the right hon. gentleman would take some of the ideas I have advanced—he says that nobody had given him an idea—let him remove the shackles from the producers of this country and put every man in a position to produce what he can. Let him remove from the ordinary consumers, the men who pay nine-tenths of the taxes, some of the burdens which now rest upon them, and put these new taxes, which we realize to be a sacrifice, upon the railways, the street railways, the telephones and telegraph companies, the express companies, the electric light and power companies, the great manufacturing concerns thus getting his revenue contributed by the men who have the money and the bank accounts and who are in a position to pay. Let him not wring it out of the poor people, many of whom are out of employment; many of whom are finding it an almost impossible task to make both ends meet. If the hon. gentleman will take some of these ideas to heart and bring them into play by resolving them into legislation, he will make a greater name for himself than he will ever make by playing the game with the manufacturers of this country. He will put the people of Canada in a position to contribute to the funds of the Red Cross Society and to other patriotic funds instead of paying this increased taxation. He will enable them to make easier and more pleasant the life of the men who are fighting in the trenches and he will put Canada in a position to do her share to bring to a successful termination the greatest war which this Empire or the world has ever seen.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

Mr. ALPHONSE VERVILLE (Maisonneuve): Mr. Speaker, at every session of Parliament there is presented more or less legislation of the highest importance, but the most important of all is the Budget, for it establishes the policy under which the people of the country will have to live during the coming year and perhaps during many succeeding years. It is therefore no wonder that so many members on both sides of the House wish to place themselves on record as being in favour of or against the policy of the Government.

From what I have gathered from the speeches already made on this important subject, I have concluded that two factors seem to have priority in the discussion, first, to all attacks made by the Opposition the answer has been, you have done worse or as badly. This to me, Sir, is small politics. Secondly, we have had lectures on social economy, plenty of theory, but so far very little practice, and the conclusion arrived at by hon. gentlemen opposite has been that the consumers of the country are satisfied, but this remains to be seen.

The hon. Minister of Finance in his Budget speech has exposed his new policy of taxation. I must say he did so in a dignified manner, in the only way that could be expected from a Minister of Finance, for the two most serious members of this House must always be the Prime Minister and the Minister of Finance. I am sorry to say, however, that my hon. friend the Minister of Finance, instead of rising in the estimation of many, has perhaps descended some degrees after his last speech the other day. If a speech of this nature had been delivered by the hon. Minister of Public Works for example, I for one would have thought him in his sphere; but for reasons that the hon. Minister of Public Works knows best it has not fallen his lot to do it. We are, Sir, in a free country, and it is far from me to criticise the minister for the speech he has made.

Now, Sir, a new policy must be very effective in order to win the approval of the people of Canada, and to go to the root of the evil which forces the present policy on the country one would have to treat this question from three different points, that is from the domestic, social, and economic aspects, thus embracing all the arguments and reasons for or against this policy. It is not my intention to endeavour to give a

lecture on political economy for my hon. friend from Peterborough (Mr. Burnham) has been kind enough to favour us with an elaborate one. During his remarks I was very interested in his theory and and I must say that for many of the theories he enunciated in the House I have great respect. In many instances I was absolutely in accord with him. But we must bear in mind that it is with practice that we must deal at the present time, we must take the conditions as they are, we must deal with the mentality of people developed under the present conditions; we must bear in mind that the citizens composing our population must be looked after, all our institutions must be educated into a more democratic spirit, and a certain amount of the productive power of the people must be returned to them until such time as they can get all they are entitled to. I say to the hon. member for Peterborough that there are others beside himself who believe in that policy. But, Sir, I say that we have an immediate duty to fulfil, that is to prevent oppression. Every one in the House or out of it, would favour any measure which would have for its object the relief from oppression of the masses and the consumers of the country. That is the great question at issue and I am sorry to say that, as far as I am concerned, the effect of this new policy will be to pauperize the masses. Much has been said about taxes. It is not my intention to go over the ground that has already been covered. My hon. friend from Carleton (Mr. Carvell) this afternoon spoke of taxes and so did the right hon. Prime Minister; but when he spoke of the tax on railway tickets it came to my mind that poor people are bound to be more affected by the tax on railway tickets than anybody else. Of course I will admit that if there was 100 per cent difference in the cost of a first-class and second-class ticket, if a first-class ticket were worth exactly double the price of a second-class ticket, then the poor man would not be so badly affected. If one pays $2 for a ticket and another pays $4.95, there is no difference whatever in the amount of taxes that will be imposed on the two tickets. Of course, it may be said that is a very small item, but still the Minister of Finance expects to derive a certain amount of revenue from it. If I understand correctly, the railway companies are to be permitted to collect this particular tax, and I assume that, for their trouble in collecting the tax, they will not have to pay anything to the Government. If that be true, the railway companies have no reason to complain. Of course a pullman is a luxury that the poor man rarely enjoys, so that will not affect him much. I shall not deal with this tax at any greater length, because it has already been discussed by many members in this House. The Finance Minister also expects to raise quite a bit on stamps. I take issue with him on that point. I know that a certain large corporation in my own city of Montreal which sends out a lot of mail has engaged young boys to distribute their mail from door to door, and I suppose the same thing will be done by other large corporations. In fact, they will really save by the imposition of this stamp tax. If the practice I have spoken of is followed in the large cities of Canada, the Finance Minister will get very much less than he expects from this particular tax.

I should also like to say a few words about the tax on patent medicines, a tax which will surely affect the poor people more than anybody else. When a rich man has anybody sick in his house he generally calls in a doctor; but the poor man cannot afford that, and if any one in his house falls sick the first thing he resorts to is patent medicine. It is the poor people, and they are the largest class in this country, whom this tax will most affect. It may be said that the druggists will not charge any more for these patent medicines, but commercial men are all alike; they are in business to make money, and I do not blame them for it. The legislation of this country permits them to do it. Directly this tax comes into force, or very soon after, the customer will be charged that much extra for his patent medicine, and as the customers are mostly from the poor classes this tax will bear most heavily on them.

A tax has also been imposed on spirits. Speaking for myself, I would favour the passing of legislation by this House to prevent the manufacture of it altogether. That is how I feel about it. As for the tax on banks, the Minister of Finance has stated —I speak under correction—that the Bank of Montreal, which will be the largest contributor, will pay $150,000 a year. But that is but a drop in the bucket to the Bank of Montreal, and other large financial institutions. It seems to me that, if a revenue tax has to be imposed, these large institutions should be made to contribute more than that. I do not complain very much of these particular taxes, because it is my intention to submit to the

minister before I get through, that a revenue tax or a direct tax, if necessary, should be imposed, and the tariff left entirely alone.

We must remember that during a depression, the policy should be, not to increase, but to diminish all budgets, whether domestic, social or political. In this House and out of it, on the public platform, and through all the newspapers, we have been preaching economy. Many citizens who were paying taxes in some form or other have had to save to the very limit, but it seems that the Government does not realize the present situation. To administer the public affairs by increasing the tariff, is not keeping pace with present economic conditions.

All hon. members who have spoken on the other side of the House have condemned the attitude of members on this side, and have said that large public works in time of stress are demanded by the working men of the country. That is so, but the amount of money asked for on account of public works will not all be spent this year. The workingmen of this country know that it is a physical impossibility to spend that amount. I want to tell my hon. friend, and the Government generally, that the amount asked for for public works cannot be spent during this coming year. According to the information I have gathered, and after looking up the re-votes, I feel sure that we could save at least $6,000,000 in the Public Works Department. Up to the time I came into this House I had spent all my life in the building trade, and I can speak with knowledge of building. Suppose a $50,000 building is to be erected somewhere. First of all the plans have to be prepared. There is a lot of red tape about that, and it generally takes about two months. Then tenders have to be called for and announcements made in newspapers in different parts of Canada. Plans have to be deposited in some city where the contractors may submit their tenders. After a certain time the tenders are sent to Ottawa, and after quite a long time they are opened. Then there is another lapse of time before the contracts are awarded. I believe I am well within the limit when I say that it takes four or five and probably six months before work can be started on that building. Therefore, on a $50,000 building—and I am taking a pretty large one—the amount spent in one year could not be more than $10,000; and if that is so, why should we vote $50,000 when only $10,000 is needed for the year? The same thing applies to all the public buildings, and I am sure that if we voted just what would be spent in one year we could save quite a few million dollars on public works. In some cases, no doubt, all the money voted will be spent during the year, but where it will not be spent the labour men of this country will derive little benefit from the money voted. In most cases it will be a physical impossibility to spend the whole amount voted.

I thought that I would put this question clearly before the House. My hon. friend the Minister of Public Works (Mr. Rogers) knows probably better than I do that it is impossible for him to spend all the money on public buildings and other works in connection with the present Budget.

I want to speak of the policy of made-in-Canada. Having reference to the present conditions and to the proposed increase in the tariff I say that this is the biggest farce that the human brain ever invented. It is the best possible weapon that could be handed to the manufacturer to enable him to deceive the people. It is the best system by which an unscrupulous wholesaler or retailer can dishonestly put certain goods on the market. It is the best device possible to enable unscrupulous employers to oppress their employees. I will give an example. I hope that I shall not be asked to mention the store to which I refer as I do not want to hurt any one. There is a certain store in a large city in which a considerable number of young men and girls have been employed to remove the words, "made in Germany" from a lot of goods and to mark them, "made in Canada". I have proof and I know whereof I speak. You are putting it in the power of any manufacturer, storekeeper, wholesaler or retailer, at any time to do likewise. That is why I say it furnishes these people with an opportunity to put certain goods on the market that are not what they purport to be. It is a farce and it is not in keeping with our present commercial system.

It enables the manufacturer to charge whatever price he sees fit. It will hamper and destroy our present system of transportation and reduce to a minimum the earning power of the workers in the different branches of industry. The unscrupulous employer and dealer will, if he sees fit, buy elsewhere and sell his goods as being goods made in Canada. It will afford an opportunity to place upon the market inferior

goods and sell them at exorbitant prices notwithstanding the fact that our manufacturers enjoy a high measure of protection. I will admit that it may open a few industries but it will help to merge our industries into new combinations and put prices out of reach. The Government cannot be in favour of such a policy because if they were we would have to go back to the policy of 1911, and it would mean that they would have to favour free markets and reciprocity.

I would like for a moment to touch on the tax on coal. I do not refer to anthracite coal because anthracite coal comes in free. Anthracite coal has become to a large extent a luxury in the large cities. The prices asked for anthracite coal at certain times of the year are such that the poor man cannot buy it. If he has to buy by the hundred pounds, as many have to do in the cities, he pays as high as $15 or $16, or probably more, a ton. You may say that the question of the duty on bituminous coal will not affect the people in the cities. I have heard it stated that bituminous coal is not burned in the large cities. Since anthracite coal has become a luxury, coke is being more largely used by the consumers. They are buying coke instead of anthracite coal.

I do not believe that the companies selling that coke to the consumer will not add to the price of the coke the increase in the tariff rate on bituminous coal. It has been stated that the consumer will be affected by the tariff on bituminous coal by reason of the gas that he will burn, but there are a great number of families in the cities who do not know anything about gas. Therefore, my conclusion is that the increase in the tariff rates will affect them by reason of the coke which they burn.

I want to say a few words on the tax on raw materials. I will give an example to illustrate my view. I claim raw materials which we cannot get in this country should not be taxed. The other day my hon. friend from Peterborough (Mr. Burnham), during the course of his speech, read a letter. I do not know whether he read all of the letter to the House; but, whether what I refer to was in the letter or not, I know exactly what has happened. My hon. friend read a letter written by some of the potters at St. John and he said that they were satisfied with the 5 per cent increase in the preferential tariff. It is true that they have a protection of 5 per cent against goods coming from Great Britain and with this the men were satisfied. When the 5 per cent in the preferential rate was announced in the House by my hon. friend the Minister of Finance, these very men of whom my hon. friend from Peterborough spoke, went to their employers at St. John and said: You have lowered our wages and you have told us that if you had only 5 per cent protection you could give us the same wages that you gave us formerly. What was the answer? The answer was: We are very sorry, but we cannot give you an increase because they are charging us 5 per cent on the raw material. I am giving an instance that was brought before this House, but it was not quite complete. There was only one side of it presented to the House. If that is what has happened in this particular case I do not see why it will not happen in other cases. If the manufacturers of this country could be trusted—I do not think they can be because I have not found any yet that I could trust in this matter—to charge only 5 per cent ad valorem increase on the raw material that went into the finished goods it would be a very small fraction that would be added to the cost of the goods. The claim has been made that it was impossible for the Canadian manufacturer of cotton to manufacture it as cheaply as it can be manufactured in the United States. If a bale of cotton is transported from the southern states to the New England states, and if another bale is transported from the southern states to the city of Montreal, I am sure, although I have not the figures, that there will be no difference whatever in the cost of transportation as between the two bales. That raw material used to come in free. The machinery that is used in the manufacture of cotton in Montreal and in the United States is exactly alike. Power is as cheap in Canada as in the United States and labour is cheaper. How is it then that the manufacturers of cotton claim that it is not possible to manufacture cotton as cheaply in Canada as they do on the other side of the line? A royal commission some few years ago made an investigation, and they sat at Valleyfield. I have not beside me a copy of the report of the commission but I read it at the time and these manufacturers were so ashamed of their profits that they had to charge a large amount of money to repairs to buildings which never was expended on any work of that kind.

The manufacturers are going to take advantage of the 5 per cent on the raw material and also of the 7½ per cent on the finished article. During the last year or two the price of labour has diminished.

Labour is not paying as well as it was a couple of years ago, and, of course, not as well as last year. Therefore the manufacturers are going to be protected, first, by the 5 per cent duty on raw material; secondly, by the 7½ per cent duty on the finished article, and then by how much per cent on the diminished wages? I claim that they are going to be protected by 20 to 22½ per cent. That is too high a protection. The burden of the protectionist system is supposed to be borne by outsiders; but that is a fallacy, because protectionists are getting rich while the poorer classes are getting poorer. The Government derives only a small benefit, and the public pays ten times as much as the Government receives. A great professor of political economy has exposed that fallacy very clearly.

My hon. friend the member for Red Deer (Mr. Michael Clark) has discussed the question of the preferential tariff, and it is not my intention to go over that ground again.

Several hon. members spoke of the home market. We are subsidizing the railway companies and also the ocean transportation lines. We are doing it for a certain purpose, namely, for the purpose of transportation. We are not doing it for the purpose of transportation from Nova Scotia to Montreal; we are doing it for the purpose of transportation across the ocean. If we are going to take such an active interest in the home market, we should stop subsidizing those ocean transportation lines. Not only for the present, but for some years to come, there is going to be great difficulty in transportation across the Atlantic, because so many vessels are tied up. Therefore I would not be surprised if, at the next session of Parliament, we were to offer further subsidies to transportation companies. If we should have to do that, then the policy of an increase in the preferential tariff is absolutely wrong.

It has been said that the manufacturers will not increase prices. I believe that the hon. member for Peel (Mr. Blain) stated that an industrial establishment of which he knew, although he did not mention the name, had recalled its prices and that in future it was going to have lower prices. It just happens that I know something about that industry, because I put in twenty-eight years at it. That is nothing new for that industry. There is a combine of the manufacturers of hot water boilers and radiators. The prices are set every year, and no manufacturer is able to sell below those prices to the wholesalers or to the retailers. It has been the custom for the combine, when trade is bad, to change the prices. The manufacturers can well afford to do so. It may be said that this company or another company is willing to give an extra 5 per cent. The manufacturers will say: Our price is $100; the discount is 40 per cent, with an extra 10 per cent and an extra 5 per cent and so on. The public at large will say: 40 and 10 and 5 make 55, and they believe that the discount is 55 per cent. I do not want to give the figures, but I will let my hon. friend work them out. The extra 5 per cent discount is not a very great amount on the price of a commodity.

I have under my hand something showing the effect of the proposed change in the tariff. I have here a letter from Ames-Holden, McCready, Limited, under date of March 1, 1915, giving prices on shoes. I will put it on Hansard:

> We beg to advise that the recent increase of 7½ per cent in the Canadian customs tariff on imported raw and other materials which enter into the cost of manufacturing shoes, compels us to advance our selling prices. This is without taking into consideration the higher and increasing cost of leather due to the enormous demand for war purposes.
>
> We have, however, decided that on account of having a stock of materials on hand, not to change our quotations until we are obliged to do so, at which time a new price list will be issued. Orders now in our hands to be shipped, will be filled at prices at which the goods were sold.
>
> We consider it due to our customers to advise them of the above, instead of advancing prices without notice, and will be pleased to execute all orders for your immediate requirements at present prices, and any business you can favour us with will receive our very best attention and service. Our service means prompt deliveries and fair treatment. Thanking you for past favours,
>
> Yours faithfully,
>
> (Sgd) Ames Holden McCready, Limited.

My hon. friend the member for Carleton (Mr. Carvell) discussed the question of shoes this afternoon and it is not my intention to go over the same ground again.

It would probably be interesting to learn the opinions of some men outside of the Old Country in regard to the effect of a high tariff on the mass of the consumers. I will read a few lines of the evidence given by American ship-owners before the United States Commission on the Mercantile Marine. This is the effect on trade as given by Mr. Austin Taylor, M.P.:

> Protection has been destructive to shipping. The percentage of American trade carried in American bottoms fell from 72.5 in 1860 to 9.2 in 1900. The ocean-going tonnage of America

diminished from 2,600,000 tons in 1861 to less than 900,000 in 1903.

So far as transportation is concerned, it is plain that if there is a diminution, less labour must be employed.

Let us see what Mr. Ashley says in his "Tariff History." He gives remarkable figures proving beyond a doubt that the present policy is not one to better existing conditions. He points out that in the United States protection has been from the beginning a settled policy. It has been associated with sound principle on many subjects. It has stood for the honest payment of national debts, for free labour as against slave labour, for high wages for the American labourer. But in that country protection has not given to the workers all the advantages which might have been expected. More than twenty-nine millions of persons are occupied for gain and less than one million benefit by protection.

Australia is often set forth as an example and, in case some hon. members have forgotten the effect of tariffs in that country, let me give an example of free trade and protection. Lord Goschen gives us some startling figures on this subject. Until the Commonwealth was established Australia offered to students of economics an object lesson of singular interest. Victoria and New South Wales were neighbouring states, not dissimilar in climate and resources. Both countries made their beginning under a free trade system, Victoria being far ahead of New South Wales in manufacturing industries. In 1866 Victoria became protectionist; New South Wales adhered to free trade. Now, compare the conditions in 1902. Number of employed in Victoria, males 47,059, females 19,470—total 66,529; New South Wales, males 54,451, females, 11,674—total 66,135. New South Wales, the free trade state, employed more than eight thousand fewer women than did Victoria. Now, look at the value of output. In Victoria it was $98,000,000, and in New South Wales $121,500,000. These figures do not prove that protection is a blessing.

The policy proposed by the Finance Minister to-day means increase of taxes on nearly all articles, including food. Now, whether a man is rich or poor, he must feed his family, or at least he must make the attempt. During the last two years many have not been able to find work at which they could earn wages with which to buy food, and conditions of late have been such that you could not buy a job for any money. Many to-day are going to the front to procure food for their families through separation allowance and the patriotic fund, and on those who are left behind we impose the extra burden. Sir John Gorst tells us that if we tax food a number of those who are now above the poverty line will sink below it, and those already below it will sink yet lower. And he goes on to say—and here I would ask our imperialist friends to think it over—that free importation of food is vital to the physical and moral well-keeping of the nation, and is therefore at the root of true imperialism. A great imperial power cannot be founded on a starved and degraded population. These ideas should appeal to the Minister of Finance, but whether they do or not, I am sure they will appeal strongly to the wage earners of the country.

Now, I ask myself whether hon. gentlemen opposite are well satisfied with the present condition. I do not think they are. I do not think in their heart and soul they are satisfied. They may say: Our present policy will better conditions. That remains to be seen. My right hon. friend the leader of the Opposition foresaw the condition of this country and endeavoured to meet that condition by his policy of 1911. If every other member of this House were against that famous policy, there would be one at least in favour of it—myself. I have never seen yet an economic reason that could be given against that famous policy; and I have no hesitation in saying that, while probably depression would have come upon us in any case, it would not have been so severe as it is at present had that policy been adopted. We are told present conditions are caused by the war. The more I study the present economic condition, the less I can see that the war is responsible for it. There are many reasons, as many of my hon. friends know; and one reason, as I have stated, I strongly believe was the non-acceptance of the policy of 1911. Any one, whether in this House or out of it, who lured the people wrongly away from that policy is well punished to-day.

The unemployed problem is the object of the thoughts of every one in every walk of life. We were promised a commission on the high cost of living. When that commission was appointed by the Government, I stated that I was in favour of it, but that I did not expect that it would ever report. Had we had the report of that commission, it might have helped us to a better understanding of present conditions. But if that

commission operated in other cities as it operated in my own, I confess that I have no great hopes from its report. The members of that commission came to the city of Montreal, and, I may almost say, locked themselves up in a room in the Windsor hotel and had a few men come and give evidence before them. But not a single labour man of any kind was asked to go before that commission. These who were most directly affected, those who could give the most valuable information to the commission, were ignored altogether. It was a commission in favour of the manufacturer, and not in favour of the labourer.

Another thing of which my right hon. friend the leader of the Opposition saw the necessity some years ago—and I do not think that under the circumstances my hon. friends can say anything to the contrary—was the establishment of shipbuilding industries in the western, central and eastern portions of Canada. If these industries were now established, what would it mean for the unemployed ? When the war is over there will be a great demand for shipbuilding; the only place in which shipbuilding is carried on to any extent at the present time is Montreal. Other ships than warships are needed. When the great demand for ships for commercial purposes arises, I fear that Canada will be far behind all the other nations in the matter of shipbuilding, and if shipbuilding industries are not established in Canada we shall have to go to the United States for our ships.

I can tell the House exactly how the workingmen feel in regard to this matter. The workingmen all over Canada voice their opinion in regard to my hon. friend's proposals in this manner: so far as the war is concerned, we have done more than our share; we have furnished our flesh and blood to the extent of at least 80 per cent of all contingents which have gone or will go. We have made more sacrifices than other classes of the community; it cannot be said that we are disloyal. Many of us who go to the front will leave behind widows and orphans. We do not mind the suffering; those who come after us will know that we fought and died for their liberties and for the true principle of democracy. We know that those who are in the trenches desire that these taxes be imposed not upon those whom they have left behind, but upon the great financial institutions and corporations, which are able to pay.

The hon. member for South Toronto (Mr. Macdonell) stated the other day that the workingmen were satisfied with these proposals. I do not believe that the hon. gentleman had a mandate from them to say that they were satisfied. Surely he could not say they are satisfied in the city of Toronto and in the other large cities of Canada. Far from it. It is absolutely unfair to say that the workingmen and the farmers are satisfied. I do not know enough about farming conditions to say whether or not the farmers are satisfied, but I am sure that if the hon. member for South Toronto had given due thought to the matter, he would not have said that the workingmen of Canada approve the proposals.

We all understand that the present deficit has to be met in some way. I am afraid I cannot say that the deficit is due to the economy that has been practised by the Government. To meet this deficit, according to the Minister of Finance, a direct and indirect tax is to be imposed. This is where I take issue with my hon. friend and with the Government, because, as I have said, the imposition of these taxes will bear too heavily upon the masses of the consumers. When one criticises a mode of taxation, he should, in all fairness, suggest a remedy. The remedy that I suggest is the imposition of income taxes, and, if need be, direct taxes. There is no reason why the man who earns say $1,000 should not make a definite contribution out of that amount towards defraying the expenses of war. If that were done, each man would know how much he contributes; under the proposed system no one will know how much money he pays into the treasury. A poor man who has a family of five or six children will pay a larger amount in taxes than the rich man who has a small family, or none at all. The great proportion of these new taxes will be paid by the farmers and the workingmen of the country. I do not say that the rich man will not pay a share, but it is well known that a great proportion of the population of Canada consists of farmers and workingmen, so that they will have to bear the greatest share of the burden.

9 p.m

Mr. R. Hunter, a well-known sociologist, in a volume recently published, has the following to say with respect to the effect of high tariffs in the United States:

> In Boston, in 1903, twenty per cent of the people were in distress. Fourteen per cent of the families in the city of Manhattan were evicted in the same year. Ten per cent of those who died in Manhattan had pauper burials. There seems to be reason to believe that the number of those in poverty in New

York and in other large cities and industrial centres rarely falls below 25 per cent of the population.

It is not our intention, I hope, to take any steps which will cause the conditions which prevail in those large American cities—conditions which have been caused by the imposition of high tariffs. Conditions of a similar character have existed in other countries. In Great Britain some few years ago, when it became necessary to raise additional revenue, a great man spoke from the ranks of Government saying: We are going to tax those who can best afford to pay. The land tax scheme, which was then proposed, was severely criticised by the moneyed men of Britain. The Government went to the people on that issue; all the moneyed interests of Britain opposed the scheme, but the majority of the people approved it and the Government was returned. Let me come down to more recent years, the time of the last presidential election in the United States. Mr. Wilson was a Unversity man, a student of political economy; and he knew that the high tariff in the United States was the cause of the existing depression. What did he do? He reduced the tariff of his country and imposed an income tax. Again, Sir, the big financial elements were against him, but they are now commencing to understand that his policy was the only sound policy to adopt. It may be said in the House that he has not reduced his tariff very much; but if I remember rightly the reduction in tariff that he made amounted to $80,000,000 and the income tax that he imposed on the people of the United States amounted to $83,000,000. So then there was just as much money to administer public affairs, and to-day the people are fairly well satisfied. I was in the United States last year and heard very few complaints. This is what we call democracy, and if President Wilson's action has been for the benefit of democracy, I claim that what Lloyd George did in England was for the benefit of democracy.

We might come right down to the inception of the war to show what great men will sometimes do for democracy. When war was declared between the Allies and Germany there was one member of the ruling order in Europe, one of the crowned heads of Europe, of whom we had heard very little. It just happens that I have read the history of that great man, and it is no wonder that when the war broke out the spirit of democracy of King Albert of Belgium showed itself and that he rose fully to the great needs of the occasion, as has been said in this House before, and has saved the situation for the Allies. Democracy is bound to get the best of autocracy, and what is the underlying principle of the present war? It is democracy against the Prussian autocracy. I might go farther and demonstrate that great men are bound to spring up at critical moments to the height of any situation. When the Allies had to find one or two men to guide the destinies of those great armies, we all knew of General French, a great man, able to face the situation; but very few of us had ever heard the name Joffre. But that great general has shown himself to be equal to the situation, and I take the word of General French that Joffre is not only a great warrior but a great man.

Mr. SPEAKER: It does not appear to me, after listening to the hon. gentleman for some time, that he is keeping very close to the motion before the House.

Mr. VERVILLE: Do I understand that when I speak of the tariff, etc., I am within the limit?

Mr. SPEAKER: Yes.

Mr. VERVILLE: Do I understand also that if I can say that great men will arise to the height of the situation as far as Canada is concerned I am also in order? That is what I want to get at! I do not want to go beyond that. I wish to show that great men are likely to arise at certain moments to safeguard the interests of the country, as far as tariffs are concerned—and I have almost finished. The Minister of Finance has thought himself big enough to meet the situation today and he has exposed to us a certain policy. I must congratulate my hon. friend on believing that he was equal to the situation; but at the same time I for one am not prepared to say that the policy which my hon. friend has presented will meet the present situation. I am happy to say that at least one hon. member in this House has risen to the situation and has seen and felt this current of democracy that covers the country. I have been in this House for nine years. I have listened to a great many speeches, and very good and sensible ones, from both sides of the House; but never in my short period of parliamentary life have I listened to a speech more democratic in spirit and feeling, more in accordance with present conditions than that of the right hon. leader of the Opposition (Sir Wilfrid

Laurier). He has risen to the height of the situation, but like the great Englishman I have mentioned, he has announced his intention, as far as it is in the power of the leader of the Opposition to do so; and I am confident that the labour men of the country, from the Atlantic to the Pacific, when they read his speech and study its meaning will not hesitate to ask him to put in operation what he has so well announced and from that day we may expect to have enacted legislation for the benefit of the masses.

Mr. R. B. BENNETT (Calgary): Mr Speaker, it is obvious that at this late hour one cannot hope to add very much to the subject matter of the debate that has engaged the attention of the House during the last few days, in fact, during the past few weeks. I venture to state that a stranger coming to this House and looking down from the gallery would have a very great deal of difficulty to discover just what this House was discussing. The stranger listening to hon. gentlemen on the other side would be impressed with the fact that we were very much concerned about a domestic issue, questions of extravagance, questions of tariff. It is the same old story, the same old cant, the same old hypocrisy, the same old cry of extravagance, the same old appeal to the passions and the prejudices of the people, the same old attempt to arouse class against class, the same old effort to arouse the agrarian population against the manufacturers of Canada, the same old appeal to arouse the West against the East that I have listened to for the last fifteen years; the same old tale of the privileged classes and of the alleged wealthy classes; the same old solicitude or affected solicitude for the masses; the same long dismal wail and tale that was listened to in this country up until 1896; and that we have listened to since 1911; and the same old appeal in another Chamber of this Parliament to the racial and language passions and prejudicies of a portion of the people of this country. I must confess that, when this great conflict broke out, I expected and hoped that much would happen to bring unity between the East and West, between the eastern manufacturer and the western farmer; and there were signs, strong signs too, that such a result was about to be attained. For the grain growers and the manufacturers met together and discussed their common questions, and in the light of this great conflict forgot many of their differences. It remained for hon. gentlemen opposite once more to precipitate into the politics of this country, at this time, after we had had a very considerable truce and the promise of a long-continued one, the controversy, conflict, passions and prejudices that have long been incident to their discussion of public questions and of fiscal measures.

How can one characterize the long and dismal wail that we have listened to for the last few weeks? There has been nothing constructive, nothing offered by which to accelerate the raising of the revenue, or by which to deal with the great problems that confront this country at this time. It has been one long criticism, one long tirade of abuse against the powers that be, one long attempt at destruction. There has been no offer of a constructive measure, and no offer or attempt to support the Administration in this great crisis of this country's affairs. I venture to think, Mr. Speaker, that the language of Lord Tennyson more accurately describes the situation than any words of mine could:

> An infant crying in the night,
> An infant crying for the light,
> And with no language but a cry.

It is true that trade has been dislocated, that the great centres of the world's commerce have been disturbed. It is true exchanges have been closed in the great markets and centres of the world. It is true, and I regret to say it is true, but it is one of the incidents of a great war, that great accumulations of funds by the banks have taken place; for if the panic-stricken depositor demands his money the bank must be in a position to hand back what belongs to him. That confronts every country in circumstances such as these. It is true that there has been restriction of credits, and a lessening of trade. All these things have taken place, but they are not blamable to this Government. We know that it has long been the habit and custom of men in normal times, to blame or praise governments for good and bad times. Sometimes the Government in power has assumed all the virtues that attach to good times and when there has been a long continued series of lean years the Opposition has often blamed the Government for it. I remember reading in the biography of an English statesman that when Disraeli had been defeated and succeeded by Mr. Gladstone, the rural labourers said: "When old Beaconsfield was gaffer there was none of them hard times." And when Gladstone came into power and there was a succession of lean

years the opposite was said by those who opposed that Government. That is bound to be so. That is so in the United States. It is so in Canada. Oppositions blame governments for lean years and bad times. But governments have nothing more to do with good times or bad times, considered from the standpoint of world movements, than had Pharaoh's chief butler or baker to do with the emaciated condition of the shadowy kine.

But there is good and just cause for the condition which prevails in Canada at this time. Canada, as part of the British Empire, is at war. It does seem to me, and has seemed so ever since this war began, that we Canadians are slow to realize that we are at war. For a century we have lived at peace; for a century we have lived side by side at peace with the greatest neighbour that a country can live beside. There have been no forts and no fortresses, and that very fact has accustomed us to think of peace, and not to realize what war with all its sadness and sorrow means. But the slackening of trade, the lessening of credits, the destruction of many things, have brought home to us the fact that we are at war; and there are other and more cogent reasons that are bringing to our mind every day the fact that Canada is at war. Who, reading the daily press and studying the casualty lists that are coming home to us in these dark and grim days, can fail to realize that this Canada of ours is as much at war as any part of the British Empire? There are no words that I can use that would so adequately express the meaning I have in mind as the beautiful imagery of John Bright when he said:

> An Angel of Death has been abroad throughout the land. You can almost hear the beating of his wings. There is no one, as when the first-born were slain of old, to sprinkle with blood the lintel and the two side posts of our doors that he may spare and pass on. He takes his victims from the castle of the noble, the mansion of the wealthy, and the cottage of the poor and lowly.

Aye, Mr. Speaker, that brings home to us as nothing else could the fact that this country is at war. But the measure of our ability to participate in this great conflict must be the limit of our resources in men and treasure. The human element has been willing. Speaking as a western man, there is nothing that fills one with greater pride and pleasure than to see the splendid way in which the men have responded to the call of the Empire. In the province in which I live I venture to think that not less than 12,000 men, out of a population of less than 450,000, have offered their services to the King and Empire. The human element has responded. It is for us in Parliament assembled to provide the necessary money with which that human element may be made effective on the field of battle. To participate in this great war involves the expenditure of vast sums of money, for war nowadays cannot be conducted without money, and it is for the people's representatives in Parliament assembled to raise the money wherewith that conflict may be carried on, that the men who have so willingly offered their services may be able to give their best in the cause of this Empire and for the cause of humanity. It is of course an enormous burden to cast upon the Government. I venture to think that never in the history of eight millions of people occupying so vast an area have any men been charged with so large a responsibility as that which has devolved upon this Government. We are prone sometimes to be critical, sometimes to be censorious; but I have learned the lesson that, while it is easy to criticise and easy to be censorious, it is not always easy to accomplish the vast undertakings that this country has begun and carried forward so successfully since this war began. In all the history of this world I venture to challenge any hon. gentleman opposite to point to a single instance where a Government, suddenly confronted with so vast a responsibility, with obligations so great, has been able to discharge those obligations so successfully as to win to some extent the gratitude and admiration of mankind. But, Sir, it is the duty of an Opposition to criticise. I listened to the right hon. the leader of the Opposition in August last, say to this House that while he claimed the right, and properly so, to criticise all that might be done by this Government, he proposed to give to them the best assistance he could, in order that they might carry forward to a successful conclusion the obligations and responsibilities which then rested upon them. I rejoiced to think that it was so, and I still think it is the duty of the Opposition fearlessly to criticise wherever occasion invites or demands. But, Sir, sometimes there are larger duties and obligations cast upon an Opposition. There comes a time when men must forget that they are party men, and must remember only that they are the chosen representatives of the people charged with the duty to assist in devising ways and

means by which this conflict may be carried to a successful conclusion.

We have been reminded of what has taken place in the Motherland. We have been reminded that leaders of the Opposition there have been consulted by Mr. Asquith in reference to the conduct of the war. I have failed in any study I have been able to give to the subject to find that Mr. Asquith at any time consulted the leaders of the Opposition in reference to or concerning any Budget proposals that were about to be submitted to the people of Great Britain. It has never been done in so far as I have been able to find, but it is true that Mr. Asquith had occasion to consult and consider with his opponents the different measures affecting the well-being, not only of the British Isles, but the adjustment of financial difficulties and trade arrangements of world wide importance. It is true he did, but surely this House has not forgotten that Mr. Asquith was in a position to discuss these questions with a Balfour, a Chamberlain, a Lansdowne or a Bonar Law. There is a difference. It is true that in the final analysis the Government must be held responsible for the proposals it submits to Parliament. I have not yet heard of any Government that cared to consider with the Opposition the character of the fiscal proposals which should be submitted to Parliament, and I venture to think that my right hon. friend the leader of the Opposition, in his address, had not reference to the Budget or to fiscal matters, but rather to those matters of larger and more general application to which I have just referred.

Now, the Government has accepted the responsibility of submitting to Parliament fiscal measures. It is absolutely certain that if we are going to carry forward this work, if this country is going to take its part in maintaining free democracy, if we are going to carry forward this struggle on behalf of humanity, if we propose to do these things, then we must have the sinews of war, and it is equally true and cannot be denied that fresh taxes must be resorted to in order that the money may be raised. A great English Chancellor of the Exchequer once, speaking under circumstances somewhat similar to those confronting this Government, said that the prime duty of the Government is to look for revenue, and the ideal tax is that which will yield most revenue with the least injury and inconvenience to the community and without any injurious or oppressive burden on any industry or any class. He further said that taxation should be so framed that when peace returned it would provide also for ordinary expenditure, and have no injurious effects in placing the fiscal system on a basis which would be equitable to every class in the community.

That is the principle which a great English Chancellor of the Exchequer thought worthy of consideration in dealing with problems such as those which now confront the Minister of Finance. In the United Kingdom the Chancellor of the Exchequer can usually provide for a tax upon some object or article of almost universal consumption which will ensure a very large and buoyant revenue. For instance, in the Crimean war resort was had to raising taxes by an increased duty on tea and on sugar, and so during all these years duties have been imposed upon articles of universal consumption, and they have been sufficient to yield a large and buoyant revenue. But in Canada the population is too limited. We have not the same large population, and there is no article of almost universal consumption that enables the Government with certainty to select that article, impose a tax upon it and raise the large revenue that will be necessary for the purpose of carrying on the war. It is true, however, that in this instance the Minister of Finance, wittingly or unwittingly,—and I choose to believe that he did it wittingly—had regard to the words of the leader of the Opposition last year in framing his fiscal measure, and also had regard to the party truce that was supposed to exist. What did he do? Instead of looking about to see what one single article, or two articles, or three articles, he might increase the duty upon, he said: I will not do that because it will involve a discussion of the tariff as a whole; I will content myself with adding something to the rate on all articles or nearly all articles that are imported. In order to prevent criticism and in order to prevent it being said that he had embarked upon a new policy for war purposes, be imposed a uniform increase by this tariff of 5 and 7½ per cent. Surely nothing better could be calculated to disarm criticism or promote unity and peace. The tariff we have before us to-day is the tariff of 1907. It is the tariff placed upon the statute books by the right hon. gentleman and the party opposite. It is the tariff which was represented to us as being the acme of excellence, the tariff that had been made upon scientific principles, an almost perfect tariff. Then, if that be so, if we have already made and placed upon the statute

books an almost perfect tariff and if the only changes that have been made in that tariff since we came into power, have been changes in the way of reductions, why do hon. gentlemen object? It is true that when this Government came into office they found a tariff on the statute books which imposed larger duties on agricultural implements, mowers and harvesters, than the rates which now prevail. It is true that every action taken by the Government has been towards a lessening of the tariff, and it is also true that the changes that have been made in the tariff have been changes that made the burden of taxation less than it would have been under the reciprocity agreement. It is equally true that this Government does not now propose to change many of these items. There is no tariff that has obtained and prevailed in this country and that has been submitted to the Canadian people, that has been more favourable to the people of the West than the tariff we are now considering. I should like to say that while the province from which I come has a larger number of representatives on the Opposition benches than upon this side, nevertheless I speak for nearly half of the people of that province, and I say that that portion believes that they have had more favourable treatment at the hands of this Government than they had ever received from any Government before. In fact, I once heard the representative of a great farmers' union say that this Government had so disarmed criticism that the farmers of the West had now to hunt for new grievances, and he himself spoke as one of them.

We have cheapened transportation rates; we have deepened the canals; we have rendered every possible assistance to the great basic industry of agriculture; and now, having regard to the great burdens imposed upon the people of the West by reason of drouth and other causes, the Minister of Finance by means of this war tariff has imposed upon them a less burden of taxation than upon the people in any other part of Canada. That is the way in which this Government has dealt with the farming industry of the West; but when the necessities of war compelled, as they did, that we should raise our revenue by increased taxation, it became necessary that that long list of goods at present upon the free list should become subject to taxation. When the ever lengthening list of raw materials, that it is the very essence of the policy of protection should come into this country free, were made subject to duty, it also became necessary that the manufactured products should be taxed to an equal degree. That is the reason why the 7½ per cent duty imposed upon free goods is also imposed upon the manufactured product. The Government, however, realized the necessity for maintaining the British preference, and therefore it was that goods subject to the British preferential rate became subject to an increased duty of 5 per cent only instead of 7½ per cent.

Let us ask, in the light of this statement of facts that cannot be controverted, why this measure is being opposed. Was the tariff good before? It was the product of hon. gentlemen opposite. It represented the genius of the Liberal party translated into a tariff. It was the best that they could do. It was the best that the hon. member for Pictou (Mr. Macdonald) could suggest. Some of those who had a great deal to do with the framing of the tariff are here no more. The people thought they were better out of this House than in it, although their going had nothing to do with their work on this tariff. If the tariff that we have on the statute book is the tariff prepared by the Liberal party, except in so far as it has been lessened by us since we came into power; if hon. gentlemen opposite desire to maintain that truce of which they speak; if they desire to give of their intellect and of their brain to the assistance of this country and of Great Britain at this time, in fighting the battle of democracy, of humanity and of freedom, they have the greatest possible chance that has ever been offered to an opposition. The very first point, then, that I desire to make is that instead of endeavouring to create a new tariff, the Minister of Finance was content to say: I will accept the old tariff; but I will make a uniform increase in the duties charged under it. Whether he did that unwittingly or wittingly —I believe he did it wittingly—he did it that hon. gentlemen opposite might say: our scientific general and preferential tariff has been maintained, and all that has been done to raise the new revenue for war purposes is to make an increase of 7½ per cent and 5 per cent on nearly every item. I leave it at that.

I might draw attention to an expression of the late Mr. Gladstone, in one of those luminous financial statements upon which his principal claim to fame must rest. He said:

> You ought not to place additional taxation upon the income tax only, but you ought to accompany it with some call upon indirect taxation.

For the first time in the history of the Canadian Parliament, that principle has been followed. Not content with raising a revenue by indirect taxation, this Government has had recourse to direct taxation for federal purposes, and corporate wealth in its essence has been taxed directly for the purpose of raising a revenue for national purposes. We have therefore maintained the two principles of that great chancellor, Mr. Gladstone. We have increased the customs duty and added to our revenue by indirect taxation, while at the same time we have introduced into the fiscal policy of Canada the theory of direct taxation for federal purposes. I shall presently show how, in the development of that twofold idea, we have kept true to the best traditions of the greatest modern chancellor of the British Exchequer.

How have these measures been met? Have they been met in any spirit of fair criticism? No. They have been met in a spirit of hostile and carping criticism by hon. gentlemen opposite with one or two exceptions. They have been met with a failure to recognize the transcendent difficulties of the situation, and the true character of the titanic struggle in which we are engaged. As I said in my opening sentences, I have heard the same old story that I heard during the long years prior to 1896. It has been varied and changed but there is still the talk about increased expenditure, which was passed over without comment when it was being made. There were profuse protestations of willingness to assist in every way possible, and we have that backed up by what? by a rigorous refusal to assist in providing the necessary funds. I have heard hon. gentlemen opposite charge lightly that this is an unpopular Budget. Can one fancy highminded, honourable and patriotic gentlemen, desirous of assisting in this the greatest crisis the country has ever seen or ever will see, going about the country and talking about the unpopularity of a tax. All taxes are unpopular to the men who have to pay them. Gladstone pointed that out in one of his great speeches. But men must realize that there is something higher than the mere consideration of the unpopularity of a tax.

The criticisms that have been urged against this Budget may be considered shortly under three heads. First of all, hon. gentlemen opposite say that no war tax was necessary if we had conducted our affairs with proper economy. Secondly, they say that, supposing we assume that the additional revenue must be raised, the taxes are unfair and unjust. Lastly, they say that they are anti-British. Let us see how they stand in the light of those criticisms.

The right hon. Prime Minister and the Minister of Trade and Commerce have dealt so fully with the situation that little can be added by myself; but it must be apparent, as I have already said and as I will again repeat, that if this war is to be prosecuted, there must be taxes and war burdens. It is so in England, in Servia, in Germany, in Russia; it is so in every part of the world engaged in this great struggle. Why should Canada be different from every other country? There must be war taxes in Canada just as there must be war taxes in France, Ireland, Scotland and Wales, because it is not the Motherland that is at war; it is Canada that is at war just as much as England, Scotland or Ireland is at war. If pensions are to be paid, if the salaries of those who are at the front are to continue, if wives and children are not to want, if dislocated trade is to be adjusted and carried on, if the machinery of business is to be adjusted and carried on, if the machinery of Government is to exist, there must be additional taxation. Is there any gentleman here, with the hardihood to say that is not so? I am sure no hon. gentleman opposite will so insult his intelligence for a single moment as not to admit that additional taxation must be had recourse to in this country. It has been recognized that this must be so; but the fundamental difficulty with the Liberal party is that it fails to realize that Canada is as much at war as is Great Britain or any other portion of the Empire. No man, listening to the speeches from day to day of hon. gentlemen opposite, could fail to be impressed by the fact that they look upon this fiscal measure and upon the position of Canada as that of a child to its mother rather than that of a nation among the daughter-nations of the Empire.

They have failed to realize that we are as much at war as though we lived in England, or as though we were Welsh, or Scotch, or Irish. Had they kept that fundamental idea before them, I feel quite sure, they would not find it possible to offer the criticisms they do against additional war taxation. The Finance Minister pointed out last August that additional taxation would be necessary. They admitted it then. But now, because it is thought that these taxes, forsooth, are unpopular—unpopular!—they will oppose them. Highminded, lofty

statescraft! Great intelligent patriotism! Pure loyalty and regard for the country! When they see a party advantage, because they hope these taxes will prove unpopular, they oppose them.

They say to us that we could curtail our expenditure. It is not a theory that confronts this country, it is a condition. Are partially-roofed buildings to be left uncovered?—partly completed public buildings to be left open for the elements to destroy?—bridges that partially span streams to be left unfinished? Is every part of the public service to be neglected, or is the Government to be carried on? Are post offices, armouries, and great public undertakings not to be provided for? Are railways and bridges not to be completed?—aye, and more, are the great terminal facilities now in process of construction not to be finished, primarily that the traffic that we now have and expect in western Canada may be taken care of? No other part of the Dominion is more deeply interested than western Canada in the completion of the great terminal facilities at Halifax and Vancouver; in the completion of the canals; in the spanning of the St. Lawrence that the Transcontinental may be of some value to the state. If that highway stops at Quebec, obviously it can be used for but a few months in the year. If it is to become a great public highway, and if it is to meet the public needs, it must be carried across the St. Lawrence to reach the great seaports of St. John and Halifax. The Government realizes that you cannot stop these works. Half-completed undertakings must be carried through. Can they find a man in the West, or a man in all Canada who will say: if you exercise a little more economy, if you left works half finished, left them hung up in the air, you would not have to resort to increased taxation? Do they underestimate the intelligence of the country or not? I do not believe that there is a man in Canada who would be misled by such prattle as that; that there is a single elector who would be deluded by such nonsensical sophistry.

These are the questions we have to consider. They say to us: if you could not limit your expenditure on capital account, while you might have gone forward and completed these great undertakings, you are paying too many clerks; there is no necessity for war taxes; you have one man too many at $75 a month; take him off and there is no need for war taxes. That is the little five-cent picayune politics that we hear of from these hon. gentlemen.

Mr. PROULX: There are ten thousand too many.

Mr. BENNETT: That has already been disposed of in this House, and when the full returns are submitted to this Parliament it will be found that no more offensive falsehood was ever endeavoured to be palmed off on the public than that. And, as an hon. friend beside me suggests, the man who was the author of that has apologised. It ill becomes the hon. member for Prescott (Mr. Proulx) to circulate an admitted falsehood.

The very course of human events, the actual development of a great country such as this, makes necessary an increase in ordinary expenditure. When Sir Michael Hicks-Beach, then Chancellor of the Exchequer, was making a Budget speech during the Boer war, he directed attention to the fact that there must be ever-increasing demands made upon the exchequer owing to our modern civilization. And so with us—increased expenditure must be expected as the years go on.

I take this opportunity to challenge the statement that the Civil Service of this country has been overloaded with employees. I can only speak of that which comes under my personal observation. There was recently in western Canada a so-called oil boom. Some of you, I dare say, participated in it to your sorrow. But let me point out that in one of the departments of the public service here in Ottawa, there were three thousands leases in arrears, and they could not get the additional help to complete them because it was alleged a niggardly Government would not give the extra hands. I went down to that office last August after the House had prorogued and found that state of affairs. I found that the poor controller of the branch, with the help he had, could not deal with the work, and he said that certain objections were raised which made it impossible to add to his staff. I can give other instances in my own community. True, we have had an increase in the number of men working in the post office. But there is a limit to what men can do. I should like to bear this testimony to the men in the public service, the men in the West—and I suppose it applies to the men in the East—that when their comrades volunteered and went to the war, these men gladly under-

took extra duties and asked that no successors to their comrades should be appointed because they were willing to bear the burden of the additional work thrown upon them. And I know that men in western Canada are being illy paid and overworked in the public service. I do not wonder that in the light of observation and knowledge, Dr. Adam Shortt apologized. And I shall wait with interest to hear the apology of my hon. friend from Prescott.

Mr. PROULX: I am speaking from returns brought down.

Mr. BENNETT: The return that was brought down has now gone up. But, Sir, I should like to ask any hon. gentleman who represents a constituency in Alberta what public work that the Government has undertaken he would suggest should not have been undertaken.

Mr. W. M. MARTIN: They are all in Calgary.

Mr. BENNETT: I will admit that Calgary is a large city, but I did not know that its bounds extended as far as Edmonton. The largest expenditures in Alberta, in actual work of construction, are being made in the city of Edmonton, 200 miles north of Calgary. My hon. friend's geography is a little out. I know he is an authority in subdivisions; but he ought not to speak as though the subdivisions of Calgary extended to Edmonton, although they are very numerous. And I may further remark that they are not Grand Trunk subdivisions—perhaps he will understand the force of that remark.

I should like to ask, what public works now under construction in the province of Alberta should be dropped. Every Liberal newspaper in the province of Alberta has been howling for appropriations. They have not been asking for them in measured, calm and careful tones; they have been howling for them. They have been directing attention to the fact that this Government had not seen fit to do this, that or the other thing; forgetful, as my hon. friends opposite are, that a war is in progress. As long as a little more money can be spent, they say, that is all we care. But the appropriations that have been made in the present Supply Bill contemplate only the carrying forward of public works of the most urgent character in the province of Alberta. In the city of Edmonton the new armouries are approaching completion; in Calgary the contract has not yet been let. Both these cities have supplied soldiers not by hundreds but by thousands for the service of their King and country, and if at this time we ask and expect that some public works be carried on in order that employment may be given to our own people and that they shall not become subjects for relief, are we asking for more than we should?

Is it not the duty of the Government, so far as is compatible with the great demands being made upon the national purse to carry on this war, to proceed with such public works as are to be devoted to the purposes which I have mentioned? There can be no doubt upon that point; everybody is agreed upon it. Those who cannot do service at the front are anxious to find such employment at home as will enable them to contribute something towards the well-being of those who are fighting. Figures may be quoted, but they merely show that in 1914 Canada had the largest trade in her history, and that we endeavoured with our buoyant revenues and largely expanding trade to take care, so far as possible, of the absolutely necessary public works west of the lakes. I repeat again: your canal systems, your port terminals, your bridges, your railways, must be completed or the loss of millions of dollars in interest on uncompleted undertakings will be involved. Which shall it be: that works shall lie idle and uncompleted, to be destroyed by the elements, or that we shall go forward to the fulfilment of the high purposes for which they were designed? That is the problem that confronts this House, and I am pleased and happy to think that the Government has dealt with it in the way in which it has. This question has been discussed at length; I will not attempt to elaborate it.

I wish to discuss the second criticism urged against these proposals, namely, that they are unfair and unjust. Of course, this involves the old, old story of free trade and protection. Whatever may be said for and against protection, it cannot but be asserted that tariffs are now recognized as the necessities of commercial legislation by all countries in the world except Great Britain, and that nearly 50 per cent of the electors of the British Isles, the last time they had an opportunity to do so, expressed by their votes the opinion that tariff reform was necessary. The Canadian people have time and time again expressed their belief that revenue should be raised through indirect taxation, customs and excise, and any attack made by the Liberals against these means of raising revenue is nothing

more or less than rank hypocrisy. These are the only words that will describe it; why not call a spade a spade? It is well known that hypocrisy means the profession of one thing to-day and another thing to-morrow, when, as a matter of fact, you believed that which you first professed. Hon. gentlemen opposite are now professing their disbelief in protection, which they practised for fifteen years; therefore any allegations which they make against it may be regarded as rank hypocrisy.

With regard to the assertion of the right hon. leader of the Opposition that some of our proposals are of German conception, I prefer to treat his words literally. Whatever differences there may be in the minds of men as to the German nation and the German Empire, no student of history can fail to recognize the great achievements of the German people. Since 1870 their population has increased almost as rapidly as that of any country in the world. The value of their trade and commerce, which was at that time but a few hundred millions of dollars, had risen to the enormous sum of $8,000,000 a day when the war broke out. How did they accomplish it? By that German conception, you will say, of protection. It is true that they have practised protection to the hilt. It is true that they have taught that doctrine to their people and it is true that by virtue of that doctrine, as exemplified in their national life, they have given to the world an example of patriotism and of ability to meet the combined attacks of empires on sea and land that has challenged the admiration of mankind. What were the fiscal precepts, the principles and the doctrines upon which they built their empire? Let me read them to the House. They are as follows:

1. In spending money, however small the amount, never lose sight of the interests of your compatriots and country.

2. Do not forget that when you buy an article from a foreign country, even though it may cost a copper coin, you diminish to that extent the wealth of your country.

3. Your money ought only to benefit German merchants and workmen.

4. Do not profane the German nation, the German firm or the German workshop by using foreign machines or implements.

5. Do not allow foreign meat to be served at your table. Using foreign meat is harmful to the German breeder. Besides, it may compromise your health, since foreign meats are not inspected by the German sanitary police.

6. Write on German paper with a German pen, and use a German blotting pad.

7. Wear only German clothes and German hats.

8. German flour, German fruits and German beer alone give German strength.

9. Drink coffee which comes from German colonies. If you prefer cocoa or chocolate, see that they are exclusively of German manufacture.

10. Do not let the boasting of foreigners turn you from these wise precepts, and remember that the best products, and the only ones worthy of great Germany, are German products.

Such is the decalogue of the German people. I leave it to history as to whether or not their accomplishment may well be emulated by the Canadian people. In saying this I refer, of course, to their commercial greatness, and not otherwise; I am not desirous that we should emulate the German concepts of civilization.

An hon. MEMBER: German "kultur."

Mr. BENNETT: German "kultur"—no. If we on this side of the House have been charged with having given effect to a German conception, I am sure that if that conception implies the utilization of our own products for the development of our own country, the employment of our own workingmen and the building up of our own markets, then indeed we are proud to think that that part of their culture we have assimilated.

The principles of protection were taught by Bismarck and exemplified in the commercial and fiscal policy of Germany. They are exemplified also in the teachings of the greatest of the great men whose names are prominent in the history of the republic to the south. I refer to Abraham Lincoln. As a plain, commonplace man, these were his words:

I do not know much about the tariff but I do know this much: when buying goods abroad, we get the goods and the foreigner gets the money; when we buy goods made at home, we get both the goods and the money.

These were the principles upon which he proceeded. Many people will still believe that the views of a Bismarck are really worthy of more consideration than the opinions of a Turriff; and there are not wanting those in Canada who prefer to rely upon the judgment of Abraham Lincoln rather than upon that of Michael Clark. We believe, at least I believe, and I think the party to which I belong believes in the ordered and regulated development of the resources of this country. The made-in-Canada campaign has been pronounced by the hon. member for Red Deer (Mr. Michael Clark) as stupid. It may be stupid, but it is at least patriotic. It may be stupid, but in the city in which I live it at least has the support of the Liberal newspaper,

and in Toronto it at least has the support of the Toronto Globe. There are not wanting those who believe that the Toronto Globe is stupid; I leave that to be fought out between the hon. member for Red Deer and the editor of that great Liberal organ of public opinion; but it may be said that at least it is patriotic—the policy of made-in-Canada. What would happen, let me ask the hon. gentleman who has just sat down, if we had no tariff to protect us and no factories? The manufactured products of the city in which I live amount to $8,000,000 per year and those of the city of Winnipeg to over $43,000,000 per year, and that great western city now ranks fourth among the manufacturing cities of Canada, while in 1905, only ten years ago, its manufactured products were less than $8,500,000. They have risen over 500 per cent in nine years. The wages paid out in 400 factories and shops amount to $10,000,000 per annum and they give employment to 18,000 workmen. And, Sir, the very fiscal policy upon which we stand has brought into this country not less than $600,000,000 of American money for investment while 175 United States companies in Canada have a total investment of $279,000,000. Let me ask the hon. gentleman, following the reasoning of Abraham Lincoln, is it better to have the International Harvester Company factory at Hamilton giving employment to 1,000 workmen or that the country should take the advice of my hon. friends and that those goods should be imported? That is the real question that is behind all of this; is it better to have one thousand workmen who walk home with their dinner pails at night, going to their homes, paying taxes, developing the resources of our country, that the farmer, the great supplier of the home market, may supply meat and wheat and food, or that these men should go to the United States and that we should import these goods, thus giving employment to the foreigner. I am willing, as I always have been, north, east, west or south, to stand or fall upon that issue. It is the highest, the truest patriotism, commercial patriotism. The made-in-Canada campaign is the translation into concrete action of the patriotism of words. It means that we translate into mills and factories, into smokestacks, into the homes of artisans, into the further development of our raw materials and resources, that which we preach. We are developing our wealth, giving a home market to the farmer and the labourer and in the end what have we done? We have added to the wealth of Canada and to the wealth of the British Empire. When I think of the fact that we have a woollen industry, that has been singled out for attack that represents 220 factories employing 14,000 people, with an output of $20,000,000, that we manufacture over 300 kinds of products and besides supplying the wants of our people, export $60,000,000 to the markets of the world, I feel that this made-in-Canada campaign means something.

When I heard the hon. gentleman who pretends to represent organized labour in this country and who has just sat down, I felt bound to say he is false to the men he represents and false to their true interests. I say that however much this made-in-Canada propaganda may be regarded as stupid by hon. gentlemen opposite, it at least will meet with the approval of the average man, the man to whom we now appeal. Which is better, that we should ship our cattle into the United States or that we should establish a packing plant at home and keep the hide to make leather, to make boots and harness, to keep the by-products and develop a second Armour, or a second Burns, or a second Gordon, Ironsides in Canada. Which is the better? Hon. gentlemen opposite say it is better to ship animals on the hoof to the United States and swell the revenues of the Armours there. We say it is better to keep the animals at home and kill them here, to convert the hides into leather and the leather into manufactured goods, giving employment to our workmen, causing great factories to be built and smokestacks to dot the horizon. If there is one cause I am proud to espouse it is the cause of made-in-Canada. I believe it is better for western Canada that great flour mills should arise and that second Minneapolises should be founded, that we should keep the bran at home and export the flour and thus develop our great cattle and dairy industry. I believe that as firmly as anything in the world, and I am proud to think that the party with which I am identified has become associated with the made-in-Canada propaganda, and that hon. gentlemen opposite are so strongly opposed to it because their opposition is the best reason for supporting it. But, Sir, I wonder if I appeal in vain to my hon. friend from Pictou (Mr. Macdonald). He has seen the tall smokestacks of New Glasgow and Sydney. They have gladdened his heart; let him come with me to one of the made-in-Canada trains and see what we produce—and if a sense of

pride does not fill his breast then I am no judge of a Scotchman. Let him come to Montreal in April next and see the made-in-Canada products. Let us see what the inventive genius of our fellow citizens and the activity of our artisans have produced. Let us see these things and, seeing them, we will believe. My hon. friend from Carleton seeing would not believe and hearing would not hear. The hon. member spoke of the wicked and perverse man in Scripture who, having ears to hear heard not and eyes to see saw not. I think that is the position of the Liberal party upon the made-in-Canada campaign, having ears to hear they hear not and eyes to see they see not.

What is it, after all, this made-in-Canada idea? It is a tribute to the inventive genius of our people, to the skill of our artisans, the richness and varied character of our resources, and to the faith of capital, and to the supreme confidence we possess in the great and sure future of this great Dominion. Mr. Gladstone himself, than whom there can be no greater authority, recognized that the great thing to do in a community was—what? To benefit and provide work for the labouring classes. Let me quote from one of his great budgets:

> But I do not hesitate to say that it is a mistake to suppose that the best method of giving relief to the labouring classes is simply to operate upon the articles consumed by them. If you want to do them the maximum of good, you should operate upon the articles which give the maximum of employment. What is it that has brought about the great change in their position of late years? Not that you have legislated here and there, taking off one penny or two pennies in the price of some article consumed by the labouring classes. It is that you have set more free the general course of trade; it is that you have put in action the process that gives them the widest field and the highest rate of remuneration for their labour. Take the great changes in the Corn Laws. It may even possibly be doubted whether up to this time you have given them cheaper bread. At least it is but a trifle cheaper than it was before. That change is one comparatively immaterial. But you have created a regular and steady trade which may be stated at £15,000,000 a year. By that trade you have created a corresponding demand for the commodities of which they are the producers; their labour being an essential and principal element in their production. It is the price their labour thus brings, not the price of cheapening commodities, that forms the main benefit received from your legislation.

That is what he calls the principle of sound political economy applicable to commercial legislation; and upon that we stand. The British Isles are islands. They produce certain kinds of raw material. They have not free trade, but free imports. We, side by side with the great Republic, must protect our markets or they are lost. We cannot open our markets to the foreigner of the south, because it would mean the absolute destruction of our factories and the wiping out of those very necessary industries that give employment to 600,000 men. Mr. Gladstone says the sound principle is—what? "It is the price their labour brings that forms the main benefit received from your legislation." If that is to be the main benefit then we are well on the road to the main benefit that should underlie all commercial legislation, and we have applied the true principle that Mr. Gladstone referred to. That statement he made in 1860, and the principle is as true to-day as it was then. It has been quoted with approval by almost every Chancellor of the Exchequer that has had to do with the complicated accounts of finance, whether in France, Russia, Germany, or even in the United States of America, because they have all had to protect their markets for their own people. The main object of Mr. Gladstone's legislation was to secure labour for his workmen, and thereby set in motion large sums of money, and secure a home market for his farmers. I desire to make one further reference to Mr. Gladstone, because the right hon. leader of the Opposition has alweys referred to him as the greatest master of sound finance that ever delivered a Budget. In another Budget speech Mr. Gladstone said that:

> I am convinced it would be a gross and most dangerous mistake to generalize the principle that whatever taxes you choose to reduce you will draw from the reduction equal benefits.

He realized that that was not so, but hon. gentlemen opposite say that if you reduce the tariff you get corresponding benefits, equal in every respect, for the people generally. Mr. Gladstone is against it, and the principle on which he acted I commend to the consideration of hon. gentlemen opposite.

Let me go a step further. Some hon. gentlemen have taken exception to this Budget on the ground that we have imposed taxes upon everything. What did England do in 1902 when the little Boer war was on? She put a duty of a shilling a quarter on wheat and flour. Where are our friends now? If the Chancellor of the Exchequer of that day found it necessary to impose a duty of a shilling a quarter in order to raise the revenue on the principle I have just mentioned, why should we not in these

times impose the taxes that have been mentioned by hon. gentlemen opposite, especially having regard to the fact that we have left tea free, and sugar where it was before? Mr. Gladstone in 1860 absolutely refused to take the duty off tea and sugar, because he said it was better to give work to the labouring men of that country than to take off the duty on tea and sugar. I remember that the right hon. gentleman opposite, in 1902, highly commended Sir Michael Hicks-Beach's Budget that put a shilling a quarter on flour and wheat. I took down his exact words then, for I thought it very important at that time. He said:

> It gives us a chance to make a better bargain with relation to a preference for Canadian goods.

That is the principle upon which he then proceeded. I presume he meant it then, and probably he believes it yet.

Let it be understood distinctly, as I do, that these proposals are war proposals for the purpose of raising a war revenue. The hon. member for Edmonton (Mr. Oliver) suggested the other evening that there would be an increase in the price of cement and other articles, because he said the manufacturers in Canada would add to certain articles the increased duty, and thus be able to take larger sums from the consumer. All I have to say about that is this: The manufacturer is faced with a duty upon raw material. He is also faced with a duty upon the manufactured product; and if the manufacturers of eastern Canada at this time are so blind to their own interests as to endeavour to take from the consumers of western Canada the maximum that has been mentioned in the way that has been indicated, then I can only say they are more foolish men than I thought they were, because they are but making a rod for their own backs, and I do not believe they will do it. I will say this. The right hon. gentleman opposite will admit that they are the men whom he delights to honour, the men whom he placed in the seats of the mighty and sent to the Red Chamber. They are noble men, and would not for a single moment impose upon the people of this country any greater prices than were absolutely compatible with the earning of a reasonable profit. I am sorry my hon. friend from Edmonton is not here. I happened to be in Calgary when the first cement industry was established there, and I took part in its organization. I was very curious about the prices when I was west the other day, and so I obtained the figures. In 1907 the price was $3 a barrel. In 1908, $3.75; in 1909, $3.50; in 1910, $2.60; in 1911, $2.72 to $2.75; in 1912, $2.70; in 1913, $2.45; in 1914, $2.33, and that industry in Calgary gives employment to a considerable number of men. The result has been that this made-in-Canada project not only reduced the imports last year down to one and a quarter per cent of the total consumption, but at the same time reduced the price of cement from $3 in 1907 to $2.33 in 1914.

I wanted to give that to my hon. friend from Edmonton (Mr. Oliver), who happens not to be here. So much for the made-in-Canada argument. I can understand why the hon. member for Red Deer so strongly supports free trade. It has always been the enemy of imperialism and imperial federation. I placed upon Hansard some years ago, and I venture to place again on Hansard, a statement of Cobden's. You will find it in Morley's Life of Cobden, when dealing with a letter that Cobden wrote to his brother in 1842, and in that letter you will find these words:

> The colonial system with all its dazzling appeals to the passions of the people can never be got rid of except by the indirect process of free trade, which will gradually and imperceptibly loosen the bonds which unite the colonies to us by a mistaken notion of self-interest.

That was the statement of Cobden, the immortal Cobden; and, true to type, the hon. member for Red Deer did not forget this teaching when in 1912 he proclaimed the creation of a new republic on the northern half of the North American continent. You will find at page 4530 of Hansard of that year these words:

> Lord North, the stupidest old Tory that ever lived, persisted in a policy that resulted in the loss of the American colonies. If you want to make another great free republic on this North American continent go on with your contribution, continue with your scheme. Imperial federation has broken down helplessly at its trade end, it will break down as helplessly at its defence end and you will create another republic.

In that same debate he said:

> My second objection is that this policy is the first step towards what I would venture to call the crude dream of Imperial federation.

So, true to type, so, true to Cobden's teaching, he and those associated with him now oppose protection and advocate free trade in order to disrupt and break up the British Empire. Glorious spectacle, splendid task, noble work!

We are imposing at this time a uniform

increase of 5 and 7½ per cent upon the tariff created by hon. gentlemen opposite in order that we may develop the trade of Canada to its fullest extent. But we have gone farther. We have also imposed direct taxation for the raising of a revenue for national purposes. I would like to point out one or two difficulties that lie in the way of raising a revenue by an income tax or a general land tax. The British North America Act, section 92, gives to the provinces only one method of raising revenue for provincial purposes, namely, by direct taxation. By section 91, the Dominion Government has the right to raise revenue by any system of taxation. What does that mean? It means that every one of the provinces in the West has practically exhausted all methods of direct taxation. They have put taxes on banks and trust companies. One little trust company that I happen to be associated with in a small way is paying to the province of Alberta the same tax that it is going to pay to this Dominion. Every bank, and branch bank, is taxed, businesses are taxed, every conceivable method is resorted to which will yield taxation by direct methods. In the past the Dominion has usually had recourse to indirect methods of taxation, but this time, true to the teaching of the great Gladstone and other chancellors of the exchequer, we have seen fit to have recourse to direct taxation for federal purposes. We have imposed a tax upon the banks, upon corporate wealth, for the first time it has ever been done, and instead of hearing hon. gentlemen opposite say we have only scratched their epidermis, I think they should rejoice in the fact that we have done that because it is more than they have ever done. Instead of scratching their epidermis, they have usually tickled their ear. Double taxation has always been opposed by economists and by all people who have considered the question in this country. There is municipal taxation, there is provinicial taxation, there is federal taxation, and in many instances many of these corporations and companies are paying threefold taxes. But we are raising a million dollars by this means for federal purposes.

Now, take the postage. Somebody said: You are not going to get much money out of that. I find that one of the banks in Canada paid about $75,000 in postage last year and will pay $100,000 per annum under this new arrangement. There are ten or twelve banks in Canada of about the same size, so that we are going to get a considerable sum of money in that way. This is direct taxation upon the profits of corporate wealth. They cannot take that out of the customer. They cannot come within the definition of John Stuart Mill approved in the case that went from Quebec to the Privy Council some years ago. They cannot get that out of the customer; but they can get the tax upon a cheque, a telegram or a ticket, out of the customer. I think if there is anything that this Government should be congratulated upon it is the fact that at this time it has had the courage to tax corporate wealth directly, as it has done. I am sure that this step will meet with the approval of Canada. Mr. Gladstone, in his great speech dealing with the remission of income tax—you will notice that I am quoting very largely from Gladstone, because he is a favourite with hon. gentlemen on the other side of the House—said this, that if you are going to withdraw the income tax, you will have to substitute for it (1) a tax on land, houses and other visible property; (2) a system of licenses upon trade, made universal; and (3) a change in the legacy duties.

We have done every one of these things in the western provinces now. All these taxes are in operation that I have mentioned. We tax land, we tax business and we tax legacies. All this is now done by the provinces and it is not fair, or right, or just to adopt a system of treble or quadruple taxation. Practically a substitute for the income tax is in operation. We may fairly say that we have made a large step forward in trying to solve the question of raising a revenue in this country and I hope that even although these are but war measures we may long continue to exert a pressure upon corporate wealth by the means I have indicated. I do not refer to an increase in postage rates, that is one of the things I would not like to see made permanent although it is now necessary for war purposes, but I would like to see the policy continued along the other lines which I have suggested.

Lastly, it has been said that this is an anti-British measure. I only reply to my hon. friends that they have an entirely erroneous and wrong impression as to what British means. If it is not anti-Canadian it cannot be anti-British. I am as much a Briton in the true sense as the man who resides in England, Scotland, Ireland or Wales, or the man who lives in New Zea-

land, Australia, the Fiji Islands or in any land under the British flag. If such a man is anxious for the prosperity and development of the land in which he lives, he is doing the best and noblest work he can to create a valuable asset for the British Empire. Every man who settles on the plains of western Canada, every man who builds his lone shack in the wilderness, every man who ploughs an acre of soil, every man who buys a team of horses, every man who raises a field of rice in the Fijis, every man who runs his stock upon the plains of Australia is contributing to the upbuilding of the British Empire and that policy cannot be anti-British if it makes for the upbuilding and development of Canada as a whole. There can be nothing anti-British that makes for the development of the component units of the British Empire. I hold that the development of the autonomous, self-governing dominions comprising this Empire is the paramount duty and first work of those who live within the borders of these dominions. That is what helps to build up the British Empire, and that is the only method by which the British Empire will continue to be the great force in the future that it has been in the past. I ask the hon. member for Pictou (Mr. Macdonald) if the settlers who came to Canada on the Hector and landed upon the shores of Nova Scotia are doing a less important work in the development of the British Empire than those who remained at home upon the shores of Scotland. I ask is the settler who came from England or Wales taking a less important part in the great work of building up the British Empire than those who stayed in Wales and England. Every man who, in the land in which he lives under the flag of the British Empire, does his best to build up that land is contributing to the greatness of the Empire as much as if he lived in Great Britain or any other portion of the Empire. That fact must be certainly borne in mind. This policy anti-British? A policy that develops Canada cannot be anti-British.

Hon. gentlemen say that this proposal takes away the British preference. I shall not deal with that argument because it was dealt with very fully by my right hon. friends the Prime Minister and the Minister of Trade and Commerce (Sir George Foster) and therefore any observations I might make would be mere surplusage. But not only has the British preference been increased by the placing of a duty upon raw material, not only has that been done by the difference between 5 per cent and 7½ per cent, namely, a difference of 2½ per cent, not only has the old British preference been maintained in its integrity in relation to Great Britain, but the fact is that in some instances we have made the British preference as much as 50 per cent by the addition of an ad valorem duty to a specific duty. Take the case of cement, if you will assume that in Great Britain a barrel of cement costs 60 cents; in the United States, 80 cents. The duty is 7 cents per 100 pounds or 24½ cents per barrel if it comes from England, and 10 cents per 100 pounds or 35 cents per berrel if it comes from the United States. What will happen? There is an ad valorem duty of 5 per cent, if the barrel comes from England. That makes 3 cents. 24½ and 3 make 27½. If the barrel comes from the United States, the ad valorum duty is 7½ per cent. 7½ per cent on 80 cents makes 6 cents. 6 and 35 make 41. Therefore, the British preference is 41 minus 27½ or 13½ cents a barrel. Before this tariff was put on, the British preference was 10½ cents per barrel. There it is in black and white. So it runs through all that long list of goods that are now upon the free list. You cannot get away from it. You have in one instance your specific duty fixed at so much per article. Then you have your ad valorem duty based on the value. Just as the cost of the goods in England may be less than the cost of the same goods made in any other country, so the British preference is enhanced not by the difference between 5 per cent and 7½ per cent, but by the difference between 5 per cent on the cost in England and 7½ per cent on the cost in any other country. So the British preference is not only maintained in its integrity, but increased.

I will give a concrete example, in my own experience. When I was in England, a few years ago, the great chief of the tin-plate industry spoke to me of the question of duty upon his product. He said: "I am now a confirmed and convinced protectionist. I am the head of the tin-plate industry. I saw the time when all the tin-plate that went to the United States came from Wales, and my people sent it to the United States; but the United States put a high duty upon tin-plate and developed that industry to such an extent that they supplied every one of their own requirements and also the expanding necessities of the great Dominion of Canada, and we are now shut out of that country. Cannot you impress upon your Minister of Finance and

your Minister of Trade and Commerce the necessity of giving some preferential treatment to tin-plate." I communicated with the Minister of Trade and Commerce and also with the Minister of Finance. I was advised that they were unable to do anything; but to-night the tin-plate industry of Great Britain is protected at least by a preference of 2½ per cent against the tin-plate industry of the United States. That must be so, for, while tin-plate coming in from the United States will pay 7½ per cent duty tin-plate coming from Wales will pay but 5 per cent. Therefore, at least one great industry has been helped as it has never been helped by hon. gentlemen opposite.

Mr. CARVELL: And the people pay the 5 per cent.

Mr. BENNETT: That is a favourite allegation of hon. gentlemen opposite, but it has not been borne out by the facts in the cement industry.

One word more. These have been troublesome times. No public man can fail to be impressed by the seriousness of the problems surrounding him. I have not made a political speech since the war began, but I have talked so much along other lines that sometimes I have been worn out. Those who have talked politics in my province have been hon. gentlemen opposite. The only hon. member I know who went out of his way to make a political speech in a local election was the hon. member for Red Deer (Mr. Michael Clark); I am sorry he is not in his seat. In the Wetaskiwin local election, the kind of promise that was made by the party he supported to the German settlers of that district was: "Vote for the Liberals; they are your friends." It is a very serious matter; it may seem but a small matter in some respects; but it has a larger aspect. We must do better than that in this country. We must rise to a higher plane of patriotism; we must have a higher and larger conception of our responsibilities and our duties if this country is ever to assimilate the population it brings within its borders, and if it is to continue to play a large part in the destinies of the Empire. But this is the exception, for I am bound to say that I think the hon. member for Red Deer was sorry after he went up to Wetaskiwin, because, although he went up there to an election, he talked patriotism. He thought that was the better thing to do, and I agree with him. But what have we in this country at this moment? We have carping criticism; we have more than that; we have a vote of want of confidence moved by hon. gentlemen opposite against the Government of the day. I do not mind the hon. member for Assiniboia (Mr. Turriff) challenging this Government to go to the people and saying that they dare not go to the people; that they do not have the people behind them. But when the ex-Minister of Railways and Canals (Mr. Graham) challenged this Government to go to the people, it was a more serious matter; and when the right hon. gentleman who leads the Opposition saw fit by a motion of want of confidence to challenge the conduct of this Government as to the war, to challenge its administration of the country's affairs, to challenge the measures this Government has introduced by way of enabling the people of this country to make their just and proper provision to pay those who are fighting in the trenches, it became a more serious matter. Never in the history of the world have men in a new country been charged with a more serious responsability than that which this Government is now carrying. When I think of the responsibility resting on the shoulders of the first minister and of the Minister of Finance and of their colleagues, I can readily understand how at times they become weary. If in addition to all that they are to be menaced and threatened by hon. gentlemen opposite, who allege that they represent fifty per cent of the people of this country and that they have behind them the confidence of the people of this country, it is indeed a matter of the first moment. Any one, weary and tired with the struggle of the day's work can at least expect that work well done will meet the approval of his fellow citizens; but the members of this Government are threatened by the members of the other side with: "You dare not take the voice of the people." I am not in the secrets of the Administration; all I can say is this: to a challenge such as that I would not let twenty-four hours go by until I had accepted it and let the people of Canada pronounce upon it.

What has happened? When the people of this country sent from these shores upwards of thirty thousand men in thirty ships, convoyed by the long, swift greyhounds of the British navy, they did it in almost unexampled time. It challenged the admiration of the world. And hon. gentlemen opposite now say that for that act they

have not the confidence of the people of Canada.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: They disclaim that. But this resolution, if it carries, means that this Government goes out; it means a want of confidence in every act in this war on the part of the Government of the day. That is what it means—that and nothing less. If, indeed, Sir, I must analyse the causes of this great world's struggle, I would say that at least some small part of the responsibility lies at the doors of hon. gentlemen opposite. I can bear personal witness to that fact. I crossed the ocean in the Imperator on the first trip she made back to Germany. It was after this Opposition had opposed, and, speaking through an irresponsible body, had killed, the naval propositions of this Government. And I heard the Germans, officers and men in high positions, who knew not that I was a Briton, rejoicing and becoming exceeding glad. They said that Canada's act meant that in the critical day this country would not respond to the call to arms. They were wrong. They based part of their action when they went to war upon mistaken premises and wrong hypotheses. But these hon. gentlemen opposite are responsible for these mistaken premises and wrong hypotheses so far as Canada is concerned. Had our proposals carried, a grand and glorious sight might have been seen of three ships of the Queen Elizabeth type thundering shot and shell in the Dardanelles, or in Heligoland Bight, or possibly in the Falkland Islands. What a proud thing it would have been to Canadians did we at least take some part in driving the infidel from Europe and raising the cross instead of the crescent on Saint Sophia. But we are denied that. Being denied it, we have sent thirty thousand men, and as many more are now in training. With infinite toil, with willing sacrifice, with great expenditure of treasure, we have sent from our land the bravest and best of our sons,—sent them forward to do battle in this conflict, not for the cause of Britain only, but for the cause of humanity, that liberty and freedom may continue among the sons of men.

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, I have listened with a good deal of interest to this address of my hon. friend from Calgary (Mr. R. B. Bennett)—one of those characteristic addresses which he gives us each session. There was the same old panegyric, there were the same old glittering generalities, that have been brought forward by the hon. gentleman whenever he has spoken in this House ever since he has had the honour of a seat here. I do not propose to follow my hon. friend through all his remarks—

Some hon. MEMBERS Oh, oh.

Mr. MACDONALD: But I promise hon. gentlemen that I will deal with his remarks as I go along. Just now I merely wish to say that I would suggest to the Minister of Militia that he should keep his eye on his friend from Calgary. When I heard that gentleman go back on his long career of admiration for British institutions and actually propound to this House and to the people of Canada the doctrines of German philosophy and German "kultur," as he did; and when I heard that he was consorting—

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD: Yes; when I heard him admit that he was consorting with the enemies of Britain and of Canada, those German officers on the Imperator, I feel it my duty to suggest to the Minister of Militia that he had better keep his eye upon the hon. gentleman.

The hon. member actually took the position that those of us who represent the Liberal party in this House have no right to criticise the views of the men who happen to fill the Treasury benches. That is good old Tory doctrine. But it is very perilous doctrine for the man who happens to sit on the Treasury benches. We used to hear that doctrine preached before 1896—the heaven-given right of the Tory party to rule this country, and that anybody who ventured to disagree with them might thank God that he was permitted to live in Canada. The Canadian people did not wish tyranny of that kind to exist in Canada and dismissed from office the men who aserted that theory. We hear it asserted again to-night; and I venture to say that when the Canadian democracy understand the spirit which is behind such assertions they will call upon those responsible for them to give place to better men. Sir, are we not to have in this House, as representatives of a free people, the right to criticise in the interests of Canada the doings of this Government? It is a new doctrine to propound in a free Parliament under British institutions that, because by the accident of fate, a certain political party happens for the time being to occupy the Treasury benches, other repre-

sentatives are to be told: If you dare to speak and to question in the slightest degree the utterances of the men in power, you will be disloyal.

My hon. friend talked about sending our men across to take part in this war. I want to tell him that, so far as my province is concerned, there were as many men aboard those ships who were followers of the right hon. gentleman who leads the Liberal party as there were of followers of the Prime Minister of this country. Day by day, as this war goes on, the blood of the Liberal boys dyes the plains of Flanders with that of their Tory comrades. And that my hon. friend should arrogate to himself and to his party, as he did to-night, the sole right to glory in the fact that these men have gone forth to this war is something that I do not propose, as a representative of a free people, to stand here and submit to. I want to assert my undoubted and unquestioned right to criticise the administration of hon. gentlemen opposite at any time when I think I should do so in the national interest.

We have heard a great deal about the political truce in England and about what the members of the British Parliament have done in that regard. Let us see what they have done. My right hon. friend told us what occurred in the November session of the British Parliament which, in a very great degree, was similar to the session which we held last August. Let us see what Mr. Bonar Law, leader of the Opposition, said when the Imperial Parliament met on February 2. After intimating that he had been honoured by the Prime Minister with a consultation upon certain subjects—I quote from the English Hansard—he said:

> I should make it clear, however, that we have no responsibility; that we are absolutely free and that in criticising or in refraining from criticism the action of the Government we are actuated solely by what we consider to be the national interest. Let me say further: it seems to me possible there will be more discussion in the present sittings of the House in which members in all parts will take part than has been the case hitherto.

Mark you, this is the position taken by the leader of the Opposition in England, who had been consulted by Mr. Asquith in regard to matters of national importance. He made it clear that he absolutely was free to criticise or to refrain from criticising the Government upon all matters of national interest. What further took place? The leader of the Labour party in the Imperial Parliament, Mr. Henderson, the very day upon which Parliament opened, demanded that the Prime Minister, at the earliest possible moment, set apart a day for a discussion of the prices which were being charged for foodstuffs in England. The press of March 13 had this to say with regard to the criticisms of Walter Long, a candidate only a couple of years ago for the leadership of the Conservative party:

> Walter Long, in a criticism of War Office methods, deprecated the employment of professional soldiers as horse buying and recruiting agents. Canadians had told him that the British War Office was a gold mine to Canadians by the way in which they were buying horses at prices out of all proportion to their value.

He proceeded to denounce the war office for their administration in regard to the purchase of horses and in regard to their keeping back information respecting the troops at the front. In language of the strongest possible type, he reviewed and condemned the action of the Government. Lord Charles Beresford, in his criticism in the British House of Commons of Winston Churchill and his administration of the Naval Department, stated his case in plain and decided terms. What did the British Government do, in the face of these criticisms? Did they insist upon the exploitation of a measure to provide that the votes of the sons of England, Scotland and Ireland who were fighting in the trenches in Flanders should be cast in any general election which might take place? Will any hon. gentleman, upon his responsibility as a public man, seriously contend that the German Emperor is going to cease hostilities in Flanders in order that every Canadian voter may have a chance to take part in a Canadian general election? Any one who entertains that idea makes a very great mistake. Do the British Government talk about a general election because their actions are criticised? No; they know that a general election in England at this time would paralyse the whole standing of the Empire. They know that it would stop recruiting. They know that under present conditions England would be more seriously menaced by a division of the people, either of the Mother Country or of any other part of the Empire, than by any attacks the Germans have made or could make upon her.

The hon. member for Calgary directs attention to the heavy burden which has been placed upon the shoulders of my hon. friend the Minister of Finance; he says

that the hon. minister lies awake at night wondering where he is going to get the money which is to be used for war purposes. Let me tell the hon. member for Calgary that the Minister of Finance has the money; he borrowed it in London; he has it in his inside pocket, and he is not worrying about it. The hon. gentleman says also that the Prime Minister is lying awake at night. What is he worrying about? You have obtained $150,000,000 from England to pay your bills; why should you worry? What hon. gentlemen are worrying about is how many of their party followers can get a portion of that money; that is their chief source of concern. My hon. friend the Minister of Militia, if all stories are true, has been worrying a great deal. What about the committee which was appointed to look after the money that came from England to be used for the purchase of war supplies when he was on the other side? Has that committee reported to the Government or to the House? Hon. gentlemen are worrying, are they? The Prime Minister and the Minister of Finance, so far as the question of obtaining money for the war is concerned, have never lost five minutes' sleep. They may look solemn and wear a portentous air—as both of them can do with the greatest possible ease—but that is all there is to it. When hon. gentlemen venture to criticise the Government, the Prime Minister becomes virtuously indignant. The hon. member for St. John City, he says, has no business to inquire about submarines. It is true that Walter Long criticised the British Government in respect to the purchase of horses in Canada, but we must not mention submarines. Keep your unholy hands, he says, off this question; do not venture to criticise or make suggestions, even if the national interest is at stake. That is the attitude of hon. gentlemen opposite. They cloud themselves in an imaginary cloak of secrecy, and tell us, who are the representatives of the free people of this country just as they are, that although these are very serious matters, we must not know anything about them. For Heaven's sake, they say, do not say a word or we will have a general election, and then there will be an awful row.

11 p.m.

I intend to discuss this Budget, because I think it is in the interest of the people of Canada that it should be discussed. I do not think that this Budget is a war budget at all. The Minister of Trade and Commerce said yesterday afternoon that after listening to the Minister of Finance exchanging compliments with the hon. member for Red Deer upon their being the only two economists in the House, he had an inclination to say to them, "A plague on both your houses! let us have a little common sense about this Budget." Whose Budget is this, anyway? Is it the Budget of this Government? The utterances of the gentleman who fills the position of Minister of Finance would indicate that the Government had nothing to do with it. Four hundred and thirty-five times he said that it was his Budget. If we cannot believe the Minister of Finance after such a frequent reiteration, I do not know how many times he should say a thing before we may believe it. The Conservative press announced that the Finance Minister, after careful deliberation, had come to the conclusion as to what the Budget was going to be, but that he was not going to bring it down for a few days because it was thought that the Minister of Trade and Commerce would have to look over it.

I will venture that he never showed it to the Minister of Trade and Commerce; the speech of the Minister of Trade and Commerce yesterday showed that he had never seen the Budget before it came down. In the adroit way which is so characteristic of the Minister of Trade and Commerce, he denounced every line of it while apparently favouring it. What about the assertion of the position of the Minister of Trade and Commerce in regard to extravagance in this country? Why should he have asserted his faith upon that question at the present time except for the purpose of indicating to the country, in his own adroit way, that, so far as he is concerned, the present Finance Minister was too extravagant. Apparently a new Caesar Augustus has appeared in this twentieth century who has sent forth the decree that all of Canada should be taxed. That is the situation—taxed under false pretenses. This measure before the House should not be called a Budget, but should be called an act to provide money from the people of Canada for the Canadian Finance Minister under the pretence of a war tax. My right hon. friend the Minister of Finance, in the colloquoy he had with the hon. member for Red Deer (Mr. Michael Clark), announced to the House with the utmost confidence that there were only two economists in the House, himself and the hon. member for Red Deer.

An hon. MEMBER: Two in the country.

Mr. DUGALD STEWART: He forgot the member for Maisonneuve (Mr. Verville.)

Mr. MACDONALD: He forgot the hon. member for Lunenburg (Mr. Stewart) probably. By the ordinary definition of the word economist I find in the dictionary that it is one who practises economy. My hon. friend belongs to that class of holy Willies who want to offer up to Heaven daily a prayer:

> O wad some power the giftie gie us
> To see oursels as ithers see us!

If he had that power, he would find that he is not really an economist of the class to which the hon. member for Red Deer belongs, but is a spendthrift travelling under the guise of an economist. But if they are the only two political economists, what about the Minister of Trade and Commerce? He was a good one once; he was good enough for Sir John A. Macdonald, and should we expect that my hon. friend the Minister of Trade and Commerce will sit there in ecstatic admiration for this new financial colossus who has come in this twentieth century to deal with all financial problems; and our friend the Minister of Trade and Commerce, who was a good one once, is no good now. The Minister of Finance told us that himself, and consequently it must be so.

I submit that this proposition which my hon. friend is asserting in this resolution to go before the Committee of Ways and Means and which he calls war tax, is not a proposition to get money to pay for the war at all. My hon. friend the Minister of Finance gets quite hot under the collar when anybody says that. Last Wednesday he dared any body to say that this is not war taxation. He says that the man on the street knows it is. It is the man on the street, who never takes the trouble to find out what is going on in this House, that my hon. friend is expecting to deceive upon this question. A child of ten years old, he says, knows all about it. How much does a child of ten years old know about a war budget? But these are the two classes my hon. friend summoned to his assistance as knowing that this is a war budget. I assert in the presence of the Minister of Finance that this is not a war budget, and I propose to prove it by a witness whom even the Minister of Finance will be bound to accept. What is the meaning of a war budget? The idea my hon. friend wants to convey to the country now is that Parliament should pass certain measures by which the Canadian people should be compelled to pay into the treasury of Canada a certain sum of money which is necessary to defray the expenses of the war. That is what I would call a war budget. I say that of the money which will come out of this taxation which is being imposed upon the Canadian people, not a cent will go towards the war and I dare my hon. friend, using the tragic language of the Minister of Finance, who I understand is to follow me, to show me where the evidence that I submit to him and to this House is not correct and does not prove my assertion. The witness I propose to call to prove the statement which I make that this is not a war budget, that not a dollar that will be collected under it will ever go towards defraying the expenses of the war, is the Minister of Finance himself. My hon. friend in his Budget speech, which he delivered on February 11, said.

> My proposals for meeting the situation are as follows:
>
> So far as concerns our special war expenditures which may reach one hundred million dollars I should be disposed, if we had not such heavy and uncontrollable capital expenditure to meet, to recommend that we should pay at least a part of it from current revenue. But it is obvious upon a consideration of the figures which I have submitted that we shall not by any reasonable supplemental taxation measures be able to close the gap between revenue and expenditure much less to pay a portion of the principal of our special war outlay. In the circumstanres I have no hesitation in proposing to the House that we shall borrow the full amount required under this heading.

What does that mean, Mr. Speaker? It means that the Finance Minister proposes to borrow the $100,000,000 from England, and, so far as the principal of that expenditure is concerned, he does not propose to pay a single cent of it out of current revenue. He went on:

> Canadian Governments have always justified public borrowing for capital account on the principle that expenditure upon enterprises, permanent in their nature, enures to the benefit and advantage of future generations who may therefore fairly be asked to pay interest upon the debt contracted in respect of them. If this theory is correct, and so far as I know it has never been seriously challenged, then we need have no reluctance in borrowing to meet the expense of this war, because such borrowing is for the purpose of accomplishing for future generations that which is infinitely more precious than material undertakings, namely, the preservation of our national and individual liberty and the constitutional freedom won by our forefathers during centuries of struggle, enjoyed by us to-day and destined, we believe, to be ours for all time. It is therefore the intention of the Government to negotiate for a

continuance of the arrangement which I have mentioned with the Imperial Government for the purpose of procuring the funds necessary to meet our special war expenditure.

So that my hon. friend is getting the $100,000,000 from England as a loan; and last August he put upon the country certain taxes, both by way of customs and excise, asserting that he wanted the money for the purpose of paying the expenses of the war. Every dollar he got as a result of that extra taxation has been put into the treasury, and is being used for the ordinary services of the country, and not a dollar of it went for the war. Every cent of the $50,000,000 which has been at the disposal of this Government since last August was borrowed from the English Government. Every cent of the revenue collected went into the treasury, and the $50,000,000 which Parliament has provided to meet the expenses of this war has been furnished by the English Government. Not a cent came out of the treasury of the Dominion of Canada, and it will not come out of it under this Government. Why should the Minister of Finance play upon words? Why should my hon. friend the member for Calgary, in the impassioned address which he made a short time ago, talk about these gentlemen being weighed down with their responsibility, about the sacrifice of the Canadian people and country in regard to this matter when these gentlemen who are sitting on the treasury benches have that $50,000,000 in their pockets, and not a cent of the money that will be taken from the Canadian people under this tax Bill will ever go to pay the expenses of the war? Only yesterday the Minister of Trade and Commerce admitted that. He said that the Opposition were perfectly willing to vote $100,000,000 for the war, and to provide the interest on it and the money necessary to the nucleus of a pension fund. There is no question about that. He went on in a half-hearted way to attempt to argue certain matters in regard to home expenditures. He was not like the Minister of Finance who declared here the other night that all the evils he had had to contend with since 1911 had been handed to him by his predecessors.

Mr. W. T. WHITE: "Handed to him" is the expression.

Mr. MACDONALD: I will deal with that phase, and hand it to my hon. friend in a moment or two. What does my hon. friend think of the statement of the Minister of Trade and Commerce yesterday, that "he would be a bold man who would assert that all these things had come from one side more than the other." I very much admired that speech yesterday. The Minister of Trade and Commerce is mellowing with the years. After his long experience he sees with some degree of vision, and a little farther than my hon. friend the Minister of Finance, who asserted in bombastic fashion on Wednesday night that all these evils had been handed to him by his predecessors. The Minister of Trade and Commerce checked him yesterday by saying that he would be a bold man who would say anything of that kind. All through his speech yesterday the Minister of Trade and Commerce admitted that this money was to be borrowed.

Mr. MEIGHEN: Have you the quotation?

Mr. MACDONALD: I will mark it and give it to my hon. friend. All through his speech yesterday the Minister of Trade and Commerce justified the collection of this money on the ground that it was necessary to keep things going at home. That was what he was doing; not a word about expenditure for war purposes, and I venture to say that the hon. gentleman who follows me will not attempt to urge from a common sense, practical, business standpoint that a single dollar of the money that will be raised from these taxes will go towards war expenditure. It will go to the general fund, but that is as far as it will get and my hon. friend knows that. Not only has posterity to pay the $100,000,000 that we are going to borrow, but also the $50,000,000 that we got last August. Not a cent of that $50,000,000 that we got last August comes out of the treasury of this country, and not a cent of this extra taxation is to be used to make up for that. My hon. friend the Minister of Finance, in the course of his first speech, told us that from September to March we had received from the Imperial Government over $40,000,000 on account of the $60,000,000 which the Imperial Government had agreed to lend us, and he said that the other $20,000,000 was arranged for. I submit that I have proved up to the hilt that the statement of the Minister of Finance that this was a war Budget, or that a dollar of the money from this taxation would go towards the war, is incorrect, untrue, and cannot be substantiated by any evidence that has been submitted to the House up to

this moment. On the contrary, all the evidence is the other way.

My hon. friend says that certain things were handed to him. I will tell him what was handed to him. There was handed to him a country which during the previous fifteen years had passed through the first golden age of its career. Under the Administration of some of the men who sit beside the Minister of Finance, Canada was torn asunder by dissension in various provinces. You saw a Canada whose financial position had reached the lowest depths. You saw the public administration disgraced, as Professor George Grant, of Kingston, said in 1896, " to a degree greater than any other English country on the globe." You saw industries languishing everywhere, unemployment and destitution. The West was practically tenantless under the Administration of those gentlemen. And that was the heritage that Sir Wilfrid Laurier received in 1896. A pretty heritage that was! It required all the sagacity, judgment and wisdom of the right hon. leader of the Opposition to bring the country to a more prosperous condition, and when the history of the right hon. gentleman and the history of this country comes to be written, the leader of the Opposition will be given credit for the wonderful achievements and the wonderful record of his Administration from 1896 to 1911. The voice of faction was stilled, and in every part of Canada there developed a confidence in business conditions, and a condition under which our workmen received ample wages and constant employment. All over this land there was but one voice and one feeling, and that was that under Laurier and the Liberal party had come the golden age which the men of Canada and of the early days had hoped to see. And in the great West, which was unknown under the previous Conservative Administration, cities and towns sprang up as if by magic, and immigrants from the old land settled there who had been kept away by the bad reputation which Canada had under the Conservative Administration previous to 1896. Prosperity was found in the cottages and the homes of the plain people all over this land from Vancouver to Sydney. We gave to these gentlemen a heritage which they have spoiled and thrown away. What has been the attitude of my hon. friend with regard to this matter, this heaven-born financier, this Daniel who is come to judgment? Had he any vision of the difficulties that were coming upon him? This is how he dealt with the tariff in 1912:

> Now I come to the question of the tariff. In view of the legislation of this session providing for the creation of a tariff commission, whose duties it will be to obtain and submit for the information of the Government evidence and data from which the question of customs duties may be considered with greater certainty of knowledge than has been possible in the past, we have no tariff changes to propose at the present session.

My hon. friend at that time wanted to appoint commissioners to go up and down this land to help him make a tariff on a scientific basis, graduated so that industry might be helped, and that wages might be regarded. We were to have a prosperous Canada. That was the idea of my hon. friend in 1912. How different from the idea which animated him in regard to this Budget, which is absolutely and completely unscientific, and which represents simply the putting on of 5 and 7½ per cent without any rhyme or reason, and on no logical basis. What did this great financier do in 1913? He said:

> Having regard to the prevailing prosperity of the Dominion, as disclosed by the trade statistics which I have presented to the House, and the fact that there is always a delicate adaptation of business to the rates of the tariff, there is, I believe, a general consensus of opinion that anything in the nature of an extensive revision of the tariff is not called for by existing conditions and would be contrary to public interest.

That was in May, 1913. My hon. friend is a little boastful, you know. My hon. friend from Carleton (Mr. Carvell) referred to an utterance of his that I would like to direct attention to in his speech of 1914. He says:

> I am not complaining. I am not the man to complain. I have always been able to see my way through. In the midst of this war I see my way through just as I saw it through in August last. I saw my way through then. I see my way through now.

Do you not think that a man of such wonderful vision as my hon. friend ought to have been able to have seen one or two things in April of last year? Do you not think that he should have seen the cloud on the horizon which was then greater than a man's hand?

Mr. MEIGHEN: The war cloud?

Mr. MACDONALD: Not the war cloud, because my hon. friend the Minister of Trade and Commerce (Sir George Foster) told us that nobody saw the war cloud, not even my hon. friend.

Mr. MEIGHEN: Have you that quotation?

Mr. MACDONALD: Yes, I will give it to my hon. friend. When I get through with the Minister of Finance I am coming to my hon. friend. My hon. friend the Minister of Finance brought down the Budget on April 6, 1914. That is only eleven months ago. This man with the wonderful vision, this man that could see his way through has been sitting down there from April to the present moment. What was the situation? The revenue between October and July of last year, beginning with October 1913, continuing in November, December, January, February and March, right up to the time he spoke in Parliament had been decreasing. Up to July 1914, it had decreased over $20,000,000. What was my hon. friend doing all this time with a decreasing revenue? Between October 1913 and July 1914 with a decreased revenue of $20,000,000 he had increased the expenditure by $26,000,000.

Mr. W. T. WHITE: How much was expended on the National Transcontinental railway and the Quebec bridge?

Mr. MACDONALD: I will give my hon. friend all he wants on the National Transcontinental.

Mr. WHITE: Just give the figures.

Mr. MACDONALD: I will give them in the order of my address if my hon. friend will have patience, but I do not want to be deterred from calling the attention of the House to the statement which was made by this man of vision on April 6 of last year with a decreased revenue of $20,000,000 and an increased expenditure of $26,000,000:

> We have experienced a considerable falling off during the past few months, but this my expectation that these dealings will with the coming of spring be relatively smaller, and my hope is that next fall we may regain the losses of any of the earlier part of the year. I may say with confidence that the revenues of the coming year will provide freely for Consolidated Fund expenditure and in large measure for all capital and special outlays. So far as the financial stringency is concerned we may consider the worst is over.

This is what this seer, the man who peered into the future, was telling this country in April of last year. With a falling revenue, and with an increasing expenditure, he rushed recklessly on to the situation in which this country found itself when the war was on, with a practically depleted treasury absolutely and solely on account of his lack of foresight and because of the spending of many millions of dollars when the revenue was not coming in. All over this land wherever there was an artisan, wherever there was a wage earner, not when the war came on but before, people were looking for their daily bread.

The hon. member for Calgary (Mr. Bennett) referred to the town of New Glasgow. If my hon. friend the Minister of Finance had come with me to my constituency when I was home in June last, before the war was on, I would have taken him to the homes of the steel worker and the coal miner in my county and in the county of Cape Breton, and he would have found there that under his administration, instead of the peace, prosperity and happiness which existed in 1911, he had brought upon these people this woe which he said was never to come upon them. They were without work and without those ordinary conditions necessary to their lives on account of their failure to get work. I will take him now to the coal mines of Nova Scotia where the conditions are not due to the war at all, but due to the absolute failure from the moment he first occupied the position of Minister of Finance to ever take one step which indicated that he had any appreciation of the industrial situation or the needs of the plain people of this country. My hon. friend absolutely failed to peer into the future.

Mr. MEIGHEN: What steps does my hon. friend say he should have taken?

Mr. MACDONALD: If this country had not made the mistake of turning out the pilot who had guided the ship of state along a marvellous way, through storms, past reefs and all difficulties, for fifteen years, all these evils would not have come upon us and Canada would have faced this war with an overflowing treasury. What was this hon. gentleman, who could see his way through, thinking about in April of last year? We knew about this lack of prosperity in our town. Men from the West knew the conditions up there last year. They pleaded with him, and begged him, to give some consideration to their special interests. But he refused. Everything is going to be all right; the crisis is past; no more difficulties! So he drifted on spending more money every day and all the time until December 31 of last year. The consolidated revenue fund expenditures were increasing, the revenues decreasing, and he was bringing Canada into such a position that to-day he has to come before Parliament and, under the guise of a war tax, attempt to get money

to make up for his recklessness in dealing with the finances of this country. That is the situation. Take some more of my hon. friend's prophetic visions of last year:

So far as the financial stringency is concerned, we may consider that the worst is over. From this time forward until the culmination of the next economic cycle, we are, on the experience of the past, justified in looking for much more normal monetary conditions.

I deny that this is a war Budget, and I want to submit the evidence to people who have given any attention to this matter. I do not mean to submit it to the man on the street who will not look at it or to a child of ten years of age who would not know if he did look at it, but any one who studies the financial condition of this country will find that the reason why Canada was in the position in which she found herself last year when war came upon us was because my hon. friend was drifting, did not see what was coming and did nothing.

He put off dealing with the tariff; he put off making the scientific examination that he was always going to make. He kept on spending money when he was not taking in money. The returns showed that. The result was that when war broke out in August, 1914, my hon. friend was caught in a trap. All his predictions had proven false. All his prophetic visions had proved to be untrue. The result is that he stands to-day in this unfortunate position before the Canadian people, that he is asking them, because there is a war on, to let him tax them in order to put into the treasury money that would be there if he had been a good and careful overseer.

My hon. friend wanted to know something about the Grand Trunk Pacific and the Quebec bridge. I am very glad to be in a position to inform my hon. friend. He forgets sometimes that he makes certain statements. I believe that on Wednesday night he forgot about his statement in the Budget speech of last year. My hon. friend said:

At least $25,000,000 or $35,000,000 will be required before the Quebec bridge is completed. I mean the total expenditure.

He wanted the House and the country to believe that he had to provide that $25,000,000 or $35,000,000. He knew that he was including in that the cost of the old bridge which fell down five or six years ago, which meant $5,000,000 or $6,000,000 with which he had nothing to do. He knew that he was also including in that amount $4,000,000 that had already been paid on account of contracts. If my recollection is right—and I speak in the presence of the former Minister of Railways (Mr. Graham)—the total of the contracts let for the Quebec bridge was in the vicinity of $14,000,000.

Mr. GRAHAM: I think it was a little less.

Mr. MACDONALD: Whence does my hon. friend get this terrible load of expenditure in connection with the Quebec bridge?

Mr. W. T. WHITE: What about the interest on the money spent on that bridge since the beginning of its construction?

Mr. MACDONALD: My hon. friend made it a question of interest when discussing the war expenditures. So with the Quebec bridge, it is only a question of interest; but he wanted the House to believe that he had to find the whole sum of $25,000,000 or $30,000,000.

Mr. WHITE: It will cost that.

Mr. MACDONALD: The new bridge? If my hon. friend goes on giving extras to the contractors, it will cost that but not otherwise.

In regard to the Grand Trunk Pacific, my hon. friend did not always sing this song of complaint. He got into this financial hole as the result of his bad management, and he was trying to put the blame on some one else. As the hon. Minister of Trade and Commerce says: "He would be a bold man who would dare to put the blame on one party or on the other." The Minister of Finance can look into the future; he can see his way through all the time. This is what he said in 1912—I quote from his Budget speech of that year:

I desire to say, both to those of our own Dominion, and to those in Great Britain, if there be any, who have felt misgivings as to the very large amount of estimated expenditure upon the eastern section of the National Transcontinental and the burden entailed upon the country in consequence, that I think it will be reassuring to know that, great as the cost has been, and will be, a large proportion of that cost for the past, has been and for the future (if conditions continue as I believe may very well be expected), will be liquidated from the surpluses on Consolidated Revenue Account and will not become a charge upon the future. I think we are all glad that we are able to make that statement.

He went on to speak in a general way about provision for public works and transportation. The Grand Trunk Pacific and National Transcontinental had not been completed when my hon. friend and his

friends came into power in 1911. He goes on to say:

> The greatest problem we have to-day, in my judgment is the problem of transportation—to give our people access to the markets of the world.... The Government is committed to the project of building the Hudson Bay railway. The Canadian Northern Railway Company is extending its transcontinental line to Vancouver. The Grand Trunk Pacific Railway Company, part of the National Transcontinental systems is pushing on to Prince Rupert. In time we shall have the opening of the Panama canal. Questions will arise as to moving the wheat to the West and providing terminal facilities for that traffic. Great capital expenditures will be required to provide facilities both on the Atlantic and on the Pacific. We must provide adequate expenditures for all these purposes. And if, as I have said, the money is expended wisely and economically, I believe that any Government of Canada at this stage of the country's development will have the hearty support of the people in making these expenditures.

Did he then wish to blame those nasty Grits for having started the National Transcontinental? He was glorying in it. That is not an isolated statement of my hon. friend. He spoke about that question not later than last year:

> When we consider, apart altogether from its physical resources and its economic strength as a community, the great public works owned and paid for by the Dominion—its canals, railways, including the Intercolonial and the now almost completed National Transcontinental—it can be affirmed with certainty that the national debt of Canada has been kept within very moderate bounds indeed.

And then my hon. friend goes on to say later on in his speech:

> Ou railway policy has resulted from the construction of two vast systems within the past year. Construction upon the main lines of these systems is nearing completion.

In that regard I was very glad to-night to hear my hon. friend the member for Calgary (Mr. Bennett) assert that the West demanded that the National Transcontinental should be extended down to the ports of St. John and Halifax. He could not have heard the Minister of Finance denouncing the proposition of the construction of that railway from Quebec to the maritime provinces. In 1904 an election was run upon that question. My right hon. friend the present Prime Minister did not take the position at that time that the National Transcontinental should not be built. That was not an issue at all. When my hon. friend sneers at those two rails of rust that exist to-day from Quebec to those sea-ports, he is speaking with the narrow view of some of those Conservatives who at the time of the proposal to construct the National Transcontinental wanted to take all the trade of the Northwest down by North Bay and Buffalo to the American ports of New York and Boston.

As regards the Canadian Northern, an hon. gentleman opposite said that those babies had been left on their doorstep. I always thought that the Minister of Finance was a Canadian Northern baby that was left on the doorstep of the Prime Minister of this country. My hon. friend the Minister of Finance in his speech endeavoured to justify the construction of the Canadian Northern railway. Here is what he said in regard to the Canadian Northern railway in 1912:

> It is to the interest not only of the province of Ontario, but of the Dominion of Canada as a whole, west and east, that this line, the Canadian Northern line, should be built without any delay whatsoever.

My hon. friend on his own account gave the Canadian Northern a free gift of $15,000,000 in 1913 against the opposition of hon. gentlemen on this side. He came to Parliament last year and with declining revenue actually gave them an absolute present of $45,000,000 against the opposition of hon. gentlemen on this side of the House. $60,000,000 of the Canadian people's money, for the expenditure of which, so far as the Canadian Northern is concerned, no man in Canada except the Minister of Finance was responsible! Yet he states that these things were left in his charge. My hon. friend, after the great assertions which he makes in regard to these matters, claiming to be a seer able to see his way through, should not come round with the cry-baby act, but should say: It is true, I had these things; we all thought they were good; but now I have them, and so on that account I am to blame.

This afternoon we had a very interesting performance with regard to the British preference. The Prime Minister undertook, with a good deal of vigour, to lead the Canadian people to believe that this Government in putting a tax of 5 per cent on our trade with the people of Great Britain was not placing any impediment in the way of that trade. He declared that they were going to have 2½ per cent more preference—a new preferential policy! The Minister of Finance (Mr. W. T. White) last Wednesday night, stopped himself suddenly in his speech after asking: Who is the father of this preference any way? I think that he caught himself just in time and that he was going to claim to be the father of it himself. Hansard shows that he stopped there

and changed to another subject. What are the facts with regard to the British preference? Hon. gentlemen opposite have never been very clear about their attitude in regard to it—they talk one way at one time and another way at another time. Just now it would appear that their attempt is to run off with the credit of having conceived the British preference and of now making a new one. But their record in Parliament, including that of the present Prime Minister in 1897, shows that they have been opposed to the measure. In 1897, a proposition was made in this House to give a preference to Great Britain in our market. At that time Great Britain had treaties with other countries on the most favoured nation basis. It was impossible to give a preference to Great Britain without it applying to these other nations also, not on account of any trouble that arose in Canada, but on account of these treaties. The preference went into effect, and ultimately, through the action of the present leader of the Opposition, then Prime Minister, the denouncement of these treaties was secured from Mr. Chamberlain, and so the preference went into effect for Great Britain alone and has so remained ever since. Now, hon. gentlemen opposite have put an extra tax of 5 per cent upon all goods coming from Great Britain. Does that mean an impediment to the trade between Great Britain and Canada? Here are the real results. Up to March, 1914, approximately $130,000,000 of imports came into this country from Great Britain. If those imports were coming in this year they would have to pay an extra tax of 5 per cent, or, on importations of that amount, $6,500,000. This is the penalty for the Canadian people trading with Great Britain. All the rhetoric that the Prime Minister can summon to his aid will not enable him to get away from that proposition—that every $100 of goods imported hereafter from Great Britain will have to pay $5 into the Canadian customs. Now, the great reasons why we have moved in this question is that we feel that at a time like the present this impediment to our trade with the Mother Country is grossly unfair. Great Britain is loaning us the money to carry on the war, and to-day a great many industries in this country—a hundred industries, I understand—are working upon contracts given by the British Government for the supply of munitions of war and other like articles. Were it not for these contracts there would be destitution in many of the industrial centres of this country. I know that in the steel centre in my own county to-day—that great industry which, under Liberal rule, was kept busily employed from January to December—has for its only work the providing of these munitions of war for the British Government. Is it right, or fair, or reasonable, that Canada at this juncture should place this penalty upon every Canadian trading with Great Britain? But the Prime Minister says, with a good deal of casuistry: Admitting that it is true—though he hardly does admit it—that you have to pay this money to trade with Great Britain, if you try to trade with the United States it will cost you 7½ per cent instead of 5 per cent. That is a peculiar argument. To-day, the increases in transportation charges and insurance charges far more than make up for this 2½ per cent of so-called added preference to Great Britain. The result will be that the trade which we have been doing with Great Britain will be driven to the United States, because they are so much handier, and trade with them is free from the difficulty of high freights and high insurance that stands in the way of trade with the Mother Country. In the eight months down to November, 1914, the latest returns I have, our trade with Great Britain was only $63,000,000, whereas in the eight months of the previous year it amounted to $93,000,000, a loss of $30,000,000 in our British trade. In the same months the trade with the United States amounted to $336,000,000. The slogan was at one time raised in this country: "No truck or trade with the Yankees." Yet, strangely enough, under the administration of this Finance Minister, the trade with the United States has almost doubled, while the trade with Great Britain has decreased. And if the Government penalizes that trade by this additional tax of 5 per cent added to the other impediments of war time, it will make that trade practically impossible.

It is growing late, and I do not wish to weary the House. I have only a couple of matters further to which I wish to refer. I submit that the attitude of the Opposition with regard to this matter has been more than justified. I have shown, first, that we have the right, in the national interest, to criticise this Budget; second, by the admission of the Finance Minister himself this is not a war Budget—not a dollar of it will go to pay the principal money of the war; third, by the argument of the Finance Minister himself, he was not justified in the attitude he took last Wednesday in discussing this proposition. In the national interest, therefore, and with

the greatest possible satisfaction, I support the amendment moved by the right hon. leader of the Opposition.

The hon. Minister of Finance referred to my right hon. leader in regard to the discussion on the navy. History has shown us that the renegade, having established himself in his new position, becomes more violent in his assertions than the person who previous occupied the position. It is the zeal of the convert, and is applicable to present-day conditions. The hon. Finance Minister, in discussing this question the other night, went far afield with his Shakespearean suggestions, and my right hon. friend the Prime Minister went a little out of his way this afternoon to read from a German newspaper in dealing with the naval question. If the right hon. Prime Minister had made inquiries, I think he would have found that the information which the German newspapers and the German people have is that my right hon. friend had formed an alliance with the Nationalist party in the province of Quebec; that he had three ministers in his cabinet who were sworn to oppose anything in the way of naval assistance to the Mother Country. The information which the German newspaper had was that over 20 gentlemen, who were elected to the Dominion Parliament from the province of Quebec, were absolutely opposed to naval assistance to the Empire, and desired to repeal the only piece of naval legislation on the statute book. Speaking for myself, and for hon. gentlemen who sit on this side of the House, I am sure that when the right hon. gentleman who leads the Government announces to the Government his permanent naval policy, he will be bound to announce as his policy the policy inaugurated by the right hon. leader of the Opposition in 1910.

I am sorry that the Minister of Finance is not here with his Shakespearean scene, because I should like to transfer him to the tropics, and to draw his attention to matters affecting the colony of New Zealand. We have heard a good deal about the splendid feat of the Sydney in sinking the Emden, and how unfortunate it was for Canada that she could not be represented by battleships on the high seas. If it were not for the Nationalist opposition at Drummond and Arthabaska and the combination between the Prime Minister and the leaders of the Nationalists in 1911, we would have had Canadian Sydneys to catch the Karlsruhe and the Dresden, just as the Australian Sydney caught the Emden. Then there is the Niobe. Any man in the maritime provinces knows that if the Niobe had been in commission, if she had had her full complement of men and had been ready to put to sea, she could have got after half-a-dozen German vessels that were skirting the coasts of the maritime provinces. The big German steamer, the Kronprincessin Cecilie, has been moored in Bar Harbour since before war was declared; other German steamers passed in front of Halifax harbour—but the steamer Niobe was tied up in deference to the Nationalist sentiment. It was three or four weeks after war broke out before she got up steam and put out to sea; but from that moment to this she has been doing duty in the north Atlantic, side by side with the Berwick, the Cornwall, and the other ships that came over from England.

I want to present to the Minister of Finance the opinion of the Minister of Marine for New Zealand as to the attitude of Sir Wilfrid Laurier and the Liberal party in this House in 1913 in respect to naval matters. I think Mr. Fisher is a pretty good witness; he knows what he is talking about just as well as my hon. friend the Minister of Finance does. This is what he said on December 3, 1913, after all our discussion of the matter had been concluded. I quote from the New Zealand Hansard:

> The policy of contribution, to my mind, is objectionable. It has been thoroughly debated in the naval debate which has taken place in the House of Commons in Canada. I hold with the view so ably expressed there, that it is not worthy of this country, nor would it be worthy of any other portion of the British Empire, that we should ask the people to fight for us and not with us. Sir, I cannot put it into better language than quote a speech delivered by Sir George Ross in the Senate of the Dominion of Canada.

He then proceeded to quote the eloquent words of Sir George Ross, with regard to the inadequacy of the naval proposals of that time, which had in view the sending of money instead of men. Then he goes on:

> A great fight has been going on in Canada for a year in the House of Commons and Senate, as to whether they are going back to the old and obsolete method of contribution; because giving ships is equivalent to giving a cash contribution, and nothing else—it is a money contribution to a country that has no need of money. Australia, moved with national aspirations, has already founded her navy, and no party in Australia is so loyal to that navy as her Labour party.

He proceeds to discuss the whole question, just as we discussed it here, and condemns contribution as being absolutely futile. He goes on:

> No person in this country to my knowledge has ever been satisfied with the system in

operation—of contribution without representation, without voice, without any say in the control. I propose to quote a few lines from a speech of Sir Wilfrid Laurier, because I think he is a great Liberal whose reputation is world-wide.

The following remarks of the leader of the Opposition, quoted by the Minister of Marine for New Zealand, are very apt at this time:

> Mr. Speaker, it is not money that England wants at this moment. England never was wealthier than she is at the present time; her coffers are overflowing. What she wants is the hearts, the brains and the brawn of her subjects all over the world.

England is not asking us for money; she is giving us money to carry on our part of the war. As the right hon. leader of the Opposition said, what England wants is the hearts, the brains and the brawn of the Canadian boys who have gone across the water to fight; and if it is right and proper that our sons should go over and fight battles of Great Britain on land, were we not doubly right in 1913 when we said: Do not give Great Britain the money, because she does not need it; let us give her ships and men on the sea just as we are giving them on the land. I have had a fairly long experience in Canadian public life. Having taken part in the debate of 1913, I was never prouder of any attitude that I ever took upon any public question than I was of my attitude upon that question; and I know with an unerring knowledge, not with the knowledge of the Finance Minister, that history will say that that is the policy by which, in the end, these various dominions within the Empire must help the Mother Country upon the sea. Sir, history will weave around the brow of our great leader many crowns in recognition of the many wonderful services which he has given to Canada; but among them all there will be none in appreciation of his great career that will show brighter than the clear vision and the insight which he displayed as to the proper attitude of each of the dominions toward the Mother Country in regard to naval assistance on the sea.

The hon. member from Calgary spoke about the consultation which took place in England between Mr. Asquith and Mr. Lloyd George and certain Opposition leaders. It is well known that Mr. Asquith, the Premier of England, asked Mr. Balfour, a Privy Councillor and one of the well-known Opposition leaders, to confer with him in regard to matters pertaining to the war. It is well known and has been announced in the Imperial Parliament that Mr. Lloyd George had equally conferred with Mr. Austen Chamberlain. I could understand the Prime Minister giving as a reason why he did not consult with our leader upon the question of the tariff proposals to be submitted to this Parliament—although I think his reason was a wholly inadequate one, in view of the fact that the leader of the Liberal party in this country is not only a Canadian Privy Councillor but an Imperial Privy Councillor as well—that it was contrary to proper usage to discuss tariff proposals in any way previous to their being announced in the House. My right hon. friend the Prime Minister knew very well that the oath which binds him and all other Privy Councillors would have bound the right hon. the leader of the Opposition. I am not complaining about my right hon. friend taking that position; he did not choose to consult our leader, and that is a matter entirely for him. But I think it was extremely bad taste for the hon. member for Calgary (Mr. Bennett) to give as a reason why the consultation did not take place that there were no Balfours, and no Bonar Laws among the Opposition in Canadian politics. I want to say with full deliberation, and I am sure that decent men on both sides of the House will agree with me, that if the hon. member for Calgary in his public career should ever reach in any measurable degree the high place which the right hon. leader of the Liberal party of the Dominion of Canada holds not only in the eyes of the Canadian people but throughout the world, he will have attained something to which he has no right ever to aspire.

What are the burdens of our hon. friends opposite of which we have heard so much? Their financial interests are provided for as I have indicated; the men of this country are flocking to the standard just as they flocked to the standard in the olden days. They speak of getting the men to go; but, Sir, the Canadian men have gone of their own will, and, from British Columbia to Nova Scotia, they have shown their devotion and interest in Empire concerns without any dragging or compelling. Therefore we on this side of the House do think that we as representatives of the people have a perfect right to discuss this matter, and we intend to vote upon this question along the line of our discussion and to leave it to the Canadian people after they have thoroughly understood it. Whether the question is submitted to them sooner or

later is a matter entirely for the Prime Minister; he will have to take the full responsibility. In regard to the question of the duty of the Canadian people, we on this side of the House, we the Liberal party of Canada in each of the provinces, stand by the Empire in this war for every dollar and every kind of assistance that that party can give at all times until the war is certainly ended.

I could not help being moved to some degree by the earnestness displayed by the hon. Minister of Trade and Commerce (Sir George Foster) yesterday. The moderate tone he adopted and the manner in which he referred to the war showed to me that he felt very deeply and keenly the important results which flow from this war. We must not, in the heat of debate, forget that Liberals and Conservatives, forgetting their differences have gone to the historical battle grounds across the ocean; and the casualty lists show that death, with even hand, has laid its toll upon the boys, no matter what their politics were. So we, asserting our right as free men in a free Parliament to discuss that which is in the best interest of the country, say to the Government that, over and above all, on this question of the war Canada is not divided and has no question of taking votes to ascertain where the men who sit upon the left of the Speaker are on this great issue. More than ever in all the long history of Great Britain, we join with her living and mourn with her dead, and we look forward with hope and confidence that, through all the storm and stress of the trying period of war, the prestige and the vigour that have always carried to honour and success her arms in the centuries that have gone will once more lead to victory, and enable her to trample underfoot the militarism of Germany, and to extend throughout the Empire and the whole world the benefit of those privileges of government and civilization which have been the glory of Great Britain through all the ages that have gone.

Hon. ARTHUR MEIGHEN (Solicitor General): Mr. Speaker, if the hon. member for Pictou (Mr. E. M. Macdonald) has not, in his very long address, succeeded in adding any matter or any argument or any light to the question at issue, he has at least made a very creditable effort to atone for that deficiency by an unwonted zeal of language and by a violence, almost ferocity of style.

He has done me the compliment of paying to my questions, and to myself generally, the dignity of silence. He has been very abusive of his fellow member the hon. member for Calgary (Mr. R. B. Bennett). There was a time, not so very long ago, when my hon. friend and I crossed swords in this House, and when the hon. member for Calgary took a part, but when as to the hon. member for Pictou the situation was quite reversed. Then he was very complimentary as to the fidelity to duty of the hon. member for Calgary, and very sarcastic as to the meagre abilities of myself. I attribute it not to any real change of opinion of the hon. member for Pictou—

Mr. MACDONALD: I did not say the hon. member was not an able man.

Mr. MEIGHEN: —but to his extreme facility of conscience. All of a sudden in the course of his remarks the hon. member for Pictou became very complimentary to the Minister of Trade and Commerce (Sir George Foster). Oh, what a conversion the hon. member has had. Those of us who have sat in this House for a few years gone by know that there was never a man so subject to abuse as the Minister of Trade and Commerce. The hon. gentleman fancied that he had found in the speech of the Minister of Trade and Commerce yesterday something consolatory to himself. With that quality of mind of the hon. member which, for want of a better name, I dignify by the name of versatility, he had found in the remarks of the hon. Minister of Trade and Commerce certain castigations of the policy pursued by the Minister of Finance in this Budget. I took occasion to question his authority and to ask him for the quotation at two different times. He did me the compliment of saying that he would find it, that he had lots of friends who would look it up and just before he sat down he told me very vigorously that he would produce it, but I have not had it yet.

Mr. MACDONALD: My hon. friend would hardly expect me to stop in my address to hunt it up. I will get it for him.

Mr. MEIGHEN: I thought, when the hon. member was pretending to quote, that he had the Hansard before him. I asked him for the quotation, but he told me he did not want to stop his speech. He made a lot of promises as to what he would do. He said he had friends behind him who would get the quotation. He had sixty or seventy, and I have no doubt they

have all tried, but they cannot produce it. Why cannot they produce it? Because the hon. member for Pictou did not state what the Minister of Trade and Commerce had said, and because it is not there; because if it is unparliamentary to say that he misrepresented what the Minister of Trade and Commerce had said, I will say that he went as close to it as the limits of Parliament will permit.

He is greatly agitated to-night because he imagines he has been denied or, that someone has attempted to deny him the privilege of criticism, and he says it is an entirely new doctrine that he never heard of before, that there should ever come a time in the history of a country when there should be any restraint at all upon party activities or on party criticism. There is criticism and criticism. For myself, and I speak for every hon. gentleman on this side, for fair, co-operative, collaborative criticism we have no objection whatever; we welcome it; it will be of assistance to us. But I venture to say all of us will agree that there does come a time in this country, as in other countries, when that particular brand of criticism of which my hon. friend is the arch-exponent, that brand of criticism which resorts to every scheme of party trickery, which calls up every old battle cry, which attempts to divide along the old lines over and over again, may well be done away with. And who cannot admire the extreme elasticity of conscience of the hon. gentleman who, through the course of his speech, allowed himself to be animated by party bias and to appeal to party spirit in a manner unprecedented since the war began, then closed the same speech with a blessing on those words of the Minister of Trade and Commerce in which he appealed to both sides of the House to banish party differences and party strife. But, if it is a new doctrine to the hon. gentleman, that criticism may well be held in abeyance while the war is on, while the nation is engaged in a struggle transcending the purposes of party, it is not altogether a new doctrine to his leader, for that leader was one of the first whom I have heard to announce in Parliament that such was his intention, and that by that he intended to abide. It will be found on page 8 of Hansard of the last session of the House. The leader of the Opposition announced this as his policy at that time.

If in what has been done or in what remains to be done there may be anything which in our judgment should not be done or should be differently done, we raise no question, we take no exception, we offer no criticism, and we shall offer no criticism so long as there is danger at the front.

However, the decision on this matter is with the Opposition. They have chosen to swerve from the position taken by the leader of the Opposition last August. They have chosen to base their right to swerve on the ground that certain newspaper publications have not dealt very gently with them; not because of any action taken by this party or by this Government in this House. They have based their right on the attacks, as they claim, of the publication here in Ottawa called—I do not know its name because I seldom read it myself—called The Press Bulletin, I am informed, and because of other attacks from the party press. I have read some publications, too, and I find myself very severely criticised by a newspaper published in Brockville under the aegis, I believe, and perhaps under the ownership of the hon. member for South Renfrew (Mr. Graham). I was attacked for what I thought was a very innocent performance. I was attacked for making speeches throughout this country, constituting an endeavour on my part to aid the country in the war by encouraging enlistment and adding to the spirit of unanimity on behalf of the cause of Britain. But from the beginning there has been no paper more aggressive in its partisan attacks than that very newspaper published in Brockville by, I believe, the hon. member for South Renfrew—unless it is another paper published in Woodstock by the hon. member for Carleton (Mr. Carvell); and a paper that closely follows them both up is one published in Montreal, I believe under the editorship of the hon. member for South Renfrew himself. However, enough of that. The decision has lain with the Opposition. They have chosen to descend from the high stand they took in August last, and to come down as gladiators on the party arena; and if they do there is nothing for us but, as the leader of the Government has stated, carry the conflict into the field of the enemy.

It has been urged by the last speaker that we are trying to sail under false pretenses because we propose to pass our War Revenue Act and to raise twenty-five or thirty millions of dollars for the purpose of meeting exigencies caused by the war. This is no war tax at all; it is only a misnomer to call it so; no war tax in any sense of the word, says the hon. member for

Pictou, and he defies me to meet the colossal argument that he advances in support of his assertion. What was the argument? You cannot have a war tax unless you devote the money to the purposes of war! Let me first call attention to the action of the United States. They have a war tax to-day. The hon. member for Pictou has discreetly escaped from the House. "The wicked flee where no man pursueth." All parties in the United States state that it is a war tax. Will anybody deny that? Nobody will deny that. Now, will anybody tell me what money they voted and spent for purposes of war?

Mr. MICHAEL CLARK: Is there not room for a difference of opinion as to whether the tax in the United States may properly be called a war tax?

Mr. MEIGHEN: The hon. gentleman denies it. He assumes to know more about economics in Great Britain and Canada than we do, and now more in the United States than their citizens do. It has always been admitted to be a war tax by both parties in Congress.

Mr. CLARK: Still in my opinion it is a misnomer.

Mr. MEIGHEN: I have the speech of the President of the United States, a gentleman we heard eulogized to-night by an hon. gentleman opposite, in which he states it is a war tax, and raised because of the financial exigencies entailed by the war. What are these financial exigencies?—diminution of revenue caused by disturbance in trade, and falling off in the receipts of customs caused by dislocation of world commerce. He anticipated that in the United States for the balance of the year 1914 alone there would be a falling off of no less than from $60,000,000 to $100,000,000, and to make that up they impose a tax, which they call a war tax, and which 90,000,000 people in the United States denominate a war tax, notwithstanding the better opinion of the hon. member for Red Deer.

Mr. CLARK: Will my hon. friend allow me? In the first speech I delivered in this House I had the honour of pointing out that in the United States they were faced at that time with the greatest deficit in their history because the argument of protection was falling down. Would an extra direct tax at that time have constituted a war tax?

Mr. MEIGHEN: No, because the receipts did not diminish by reason of the war. No war was on then. "You cannot have a war tax." The ingenuity of the argument against this position was not confined to the hon. member for Pictou, but the hon. junior member for Halifax (Mr. Maclean), the financial expert of the Opposition, advanced another reason why this was not a war tax. You cannot have a war tax, he says, until you pay up the deficit between your revenue and expenditure. So long as you have a difference, a hiatus in your revenue and expenditure, you are taxing to make up that and you are not taxing for war. Does anybody adhere to that position now? Does the hon. member for Red Deer think it is correct?

Mr. CLARK: I still think it is a misnomer.

Mr. MEIGHEN. This, then, cannot be a war tax in the United States at all, because they have a deficit between revenue and expenditure, and to make that up the war tax is imposed! If these hon. gentlemen will not accept the opinion of the 90,000,000 people that they recently had a great admiration for, I will meet them with their own opinions expressed no longer ago than last August. One hon. gentleman after another got up and admitted that by reason of the conditions brought upon us by the war we would have to get extra revenue. Does any hon. gentleman ask me who they were? I have the authorities here. Was our revenue last August equal to our expenditure? Not at all. My hon. friend the Minister of Finance had just announced that by reason of the conditions that had been brought upon us, our revenue was not equal to our expenditure, and a tax was necessary because the deficiency was even greater by reason of the disturbance in Europe. The argument that they now advance is taken out of their mouths by their own speeches in August last.

But more than that; the hon. member for Halifax, the financial expert, says that it is not a war tax, because there has really been no or little disturbance at all on account of anything. He says there has been no decrease in customs or anything else caused by war. I have his words before me, and I quote them very closely when I say that the effect of his statement was that to no substantial extent had the war affected the revenue of Canada. It might have done so to a small amount, he said. He used the strongest language during last August in endeavouring to describe the effect of the war upon the income and revenue of this country. He said that for some time there had been a diminution by reason of the war con-

ditions, and that the falling off in the revenue was "immeasurably intensified" by the war. I ask the hon. member for Red Deer what stronger words could have been used. There had been a tremendously prejudicial effect upon the revenue of Canada because of the war.

Mr. CLARK: That is why we consented to the borrowing of $100,000,000.

Mr. MEIGHEN: My hon. friend does not say stronger words can be used; I believe they could, and he is the man who used them. He does not think we have suffered much by reason of the war. He has conceived very recently a great veneration for the opinion of my hon. friend from West Toronto (Sir Edmund Osler) who said that certain industries in Canada had been stimulated because of business arising out of the war, and he believes this is a good ground for expressing the opinion that the revenue of Canada has not been affected by the war. His words were these—he uttered them himself—that the conditions that had obtained before resulting in the diminution of our revenue had been "extremely accentuated" by the war, and he agrees with that to-day.

Mr. CLARK: I said so. The word I used on this occasion was "aggravated." I make the admission quite freely.

Mr. MEIGHEN: My hon. friend said that it had been aggravated. Last August he said that the condition had been extremely accentuated by the war. Is it a war tax if our revenues are diminishing by reason of the war? It takes a rather strangely constituted mind to come to the conclusion that our revenues have not been diminishing very seriously by reason of the war. Why then is it not a war tax? The hon. junior member for Halifax (Mr. A. K. Maclean) comes to the rescue there, and he figures out a scheme by which he says: We have lost only a very trifling amount, not anything like what you are trying to raise, and consequently this is only about 5 or 10 per cent a war tax. He says that in 1914 our revenues were falling anyway and that for the first eight months they fell $18,000,000. Is not that what he said? He said that, if that falling had kept up during the remaining four months, it would have meant a falling off of $27,000,000. He said that the actual reduction was $32,000,000, and that therefore, the reduction on account of the war was only $5,000,000. Yet, he says, you call all this a war tax. But it escaped the mind of the hon. junior member for Halifax that the falling off of $5,000,000 was for only four months. $5,000,000 for four months is $15,000,000 a year. My hon. friend said that the $5,000,000 was attributable to customs alone. That would mean a reduction of $15,000,000 for customs alone for a year. Take a like falling off in the other sources of revenue, and you have $10,000,000 more. That makes $25,000,000, which from the reasoning of my hon. friend is caused by the war. If my hon. friend wishes to explain anything, there is no better time to give it than now.

Mr. A. K. MACLEAN: I am not desirous of interrupting the hon. member's argument, but the actual loss of revenue for the calendar year 1914 over the calendar year 1913 was $32,000,000. Had the loss of revenue for the first eight months of 1914 continued through-out the rest of the year, the loss would have been $27,000,000. Therefore I say there was about $5,000,000 of a loss.

Mr. MEIGHEN: Therefore, by reason of the war there was a dimunition of $5,000,000 in customs alone in four months?

Mr. MACLEAN: There was no loss in excise.

Mr. MEIGHEN: No loss in exise—no loss in anything by reason of the dimunition of trade?

Mr. MACLEAN: Not beyond this $5,000,000.

Mr. MEIGHEN: Does he argue that we fail to import by reason of our failure to borrow at the rate of $1,000,000 a day, and that nevertheless our trade in Canada and our revenue from excise and all other sources are not affected?

Mr. MACLEAN: How do you tell that?

Mr. MEIGHEN: I do not tell exactly; I do not pretend to tell exactly. I do not pretend to give the figures exactly; but the hon. member who tries to figure exactly is the junior member for Halifax, and I am taking his figures.

Mr. MACLEAN: I will not contradict the hon. gentleman. I think it is very good figuring, and he will find it very difficult to answer.

Mr. MEIGHEN: Although it may be difficult, I will brace myself for the task, and I will proceed with the answer. Taking my hon. friend's figures, I have estimated that there is a falling off of $25,000,000 for the

year due to the war alone; and even in that the hon. junior member for Halifax failed to take account of the fact, as he should have done, that the revenue had taken an upward turn in the latter half of July, and that the statement of the Minister of Finance in April, that he believed the worst was over, was vindicated by the trend of the revenue during the month of July. Ignore that if you will and you have a dimunition of $15,000,000 from customs and almost $10,000,000 from other sources, on my hon. friend's reasoning, due to the war alone. Add to that $7,000,000 for interest on $150,000,000 borrowed for war, and you have $32,000,000 or between $2,000,000 and $7,000,000 more than this war tax, and not a dollar provided for pensions. Would it not be wise for the hon. junior member for Halifax, now that he sees the error in his arithmetic, to admit his error in his conclusions?

Mr. MACLEAN: I am not satisfied with your argument.

Mr. MEIGHEN: Not satisfied that the diminution of $5,000,000 was only for four months? I knew that my hon. friend did not think of that. I knew that if he had thought of it, he would not have followed that method of calculation.

Hon. gentlemen opposite tell us we should retrench, that is the way we should finance these war times. My hon. friends opposite are all very willing to have a war, but they do not like a war tax. They do not see any reason why Canada cannot have the luxury of a war without having a war tax. They think that Canadians cannot take part in this affair out of their own pockets. Their idea is that as soon as they show that some one has to pay the revenue, they have made a case out for not having the revenue at all.

Mr. A. K. MACLEAN: Do I understand the hon. gentleman to say that the revenue for the month of July, 1914, had taken an upward turn?

Mr. MEIGHEN: The latter half. My hon. friend will find that in the speech of the hon. Minister of Finance delivered in August last.

Mr. MACLEAN: The revenue for July, 1913, was $10,000,000 in round figures. In July, 1914, it was $6,900,000. In June, 1914, it was $7,000,000. Therefore there was a falling off.

Mr. MEIGHEN: July may be a lighter month than June. I am comparing it with other July's, and the latter half took an upward turn. I am, however, omitting that from my argument. I am allowing my hon. friend his way on that and assuming that the downward turn that had been maintained for the first eight months had continued to the end of the year, I have made out a case that the whole of this money is needed by conditions imposed by the war, and nothing else .

Hon. gentlemen opposite say: You should retrench. We have retrenched in the estimates $18,000,000, or within about $100,000 of that; but hon. gentlemen opposite, by means of a peculiar method of putting figures side by side, of setting an estimate on the one hand against an expenditure on the other and keeping out one class of expenditure altogether, they think that they are getting Hansard into such a shape that they will be able to deceive the electorate of this country. The hon. member for Red Deer (Mr. Michael Clark)—not with intent, I know, because I do not believe he would intentionally mislead, because I believe he is sincere in his belief in free trade, and because I also believe that he is sincere in his belief that he is gathering converts—the hon. member for Red Deer made a statement on this subject in his speech, perhaps the most emphatic of all—and that is saying quite a bit, for, if any one knows how to be emphatic, it is the hon. member for Red Deer. This is the statement he made when he was chafing under the castigation of the hon. Minister of Finance, that the Government of my hon. friends opposite had set an example to all posterity in all countries in the way of extravagance:

> With regard to the comparison of the two Governments, there is this to be said about the previous Government that, if they were extravagant, they had the money to do it with. That is a statement, the accuracy of which I think the hon. gentleman will not deny.

They had the money to spend that they spent. Is that correct? I do not know just the year when the hon. gentleman came to this country; but I have a tolerably accurate idea, and I make this statement, that I do not believe that since he landed on Canadian soil he ever saw a Liberal Government pay its way during a single year of its existence, and that he did not see any Government in Canada pay its way, that is, collect during the year as much money as it spent during that year, until the Minister of Finance who now adorns that portfolio took his seat as Minister of Finance. The hon. gentleman

laughs. He appears to know, because I know he would not laugh unless he had the facts before him to show how ridiculous my statement was. Will he tell us what year it was, and I will give the figures?

Mr. MICHAEL CLARK: Go on with your speech.

Mr. MEIGHEN: What year was it, after my hon. friend came to Canada, when a Liberal Government ever paid its way, or came within a million dollars of doing so? He has learned discretion. I have the figures before me to show that in every year—I have not traced back behind 1905-06—they spent more money than they raised in revenue. Of course, if you put one class of expenditure aside as capital expenditure and put the whole of the revenue by itself as against the expenditure which remains, you can figure out a surplus. That is the historic way in which the surpluses are figured out. But when you want to find out whether a Government is extravagant or not, why not take all expenditures? Is it not possible to be extravagant in capital expenditure Is that expenditure carried on within some sacred circle where extravagance is impossible? I think the National Transcontinental was a capital expenditure. Does the hon. gentleman say now that he was right in his statement, that if the former Government spent the money they had the money to spend? They spent in 1910-11, the last year of their existence, $122,801,064, and they collected $117,780,409. They spent in the year before that $115,239,016, and collected $101,503,701. The year before that they spent almost $132,757,905, and collected $85,093,404. This is the Government that we are told always had the money to spend even if they were extravagant, a Government that every year since the hon. gentleman knew it, plunged this country deeper into debt in order to provide money for its career of extravagance.

But it is a different story when you come to 1911-12. In the year ending 31st March, 1912, we collected altogether $136,108,217, while the total expenditure on consolidated revenue and capital was $131,046,764. The next year we collected $168,689,903, and all that was spent on both accounts was $144,266,570. That obtained for two years, until the year ending 31st March, 1914, and even that year the revenue collected was $163,174,394, and the total expenditure on revenue and capital accounts was $186,053,919. In only one out of the three years in which this Government has existed have we been short in revenue, while the Government that the hon. gentleman supported exceeded its revenue every year he knew anything about it. That is a fairly complete answer, is it not—for the hon. gentleman knows how to add, and he knows logic when he hears it—to the assertion that if the former Government spent money they had the money to spend.

Mr. MICHAEL CLARK: My hon. friend from South Renfrew (Mr. Graham) will tell the hon. gentleman.

Mr. MEIGHEN: I venture to assert that he will do nothing of the kind, but will resort to the well known hoax of comparing expenditure on consolidated revenue only against the whole revenue.

Mr. GRAHAM: I will not do anything of the kind.

Mr. MEIGHEN: I am glad to hear it; it shows such a decided improvement over the method of the financial expert of the Opposition, because he did nothing else.

Mr. MICHAEL CLARK: Was not the hon. gentleman in error in his assertion in regard to the hon. member for South Renfrew?

Mr. MEIGHEN: At least it has had the result that now we are sure that he will take all expenditures and all revenues when he attempts to compare the two Governments, and that is a result worth fighting for.

Mr. A. K. MACLEAN: Not very much to it as the hon. gentleman puts it.

Mr. MEIGHEN: I cannot hear the hon. gentleman.

Mr. MACLEAN: I say it is not a fair conclusion from the figures the hon. gentleman has quoted, because he makes no allowance for the purpose for which capital expenditures were made, and he knows that the present Government has made no expenditures for such an undertaking as the Grand Trunk Pacific.

Mr. MEIGHEN: On four accounts alone, imposed by the late Government, on capital account, we have spent $125,000,000. There is a point that the hon. gentleman fails to see.

Mr. MACLEAN: I see it.

Mr. MEIGHEN: The hon. gentleman sees it, but he does not want me to repeat it. The Governments were being compared

as to extravagance. I ventured the simple assertion that it was possible to be extravagant on capital expenditure as well as on consolidated revenue expenditure. I know the hon. gentleman sees that, for it is too clear for him to pretend to deny it. If you are going to compare the Governments as to their extravagance, better consider extravagance in all fields and not only the one which the hon. gentleman thinks favourable to his friends.

Mr. Speaker, I would be the last to argue, particularly under such conditions as we face to-day; there should be an additional effort, the very greatest effort made to see to it that the public resources are conserved and that the best results are obtained for the people for every dollar that goes out of the Treasury. The efforts to economize in times of peace should be redoubled in times of war and our affairs should be so ordered that we should not undertake public works, however desirable, unless the funds for these purposes are well within sight. But it is only necessary to say that the figures of the Minister of Finance show a retrenchment and that is a word hon. gentlemen opposite are very fond of—of almost $18,000,000, which is a very considerable retrenchment in one year. And this is made notwithstanding the fact that a very large proportion of the expenditures we are bound to make by reason of legislation passed and undertakings launched by hon. gentlemen opposite. We are bound to carry out these things in order to protect the greatest and best of the resources of this country, our honour, our good name.

But these hon. gentlemen say they do not ask for retrenchment in capital expenditure. There is a hole that the junior member for Halifax was pulled out of by the hon. member for St. John City (Mr. Pugsley). Being thus rescued, he said: "When I said that we could retrench on our public works, I only meant expenditure on consolidated revenue, not capital expenditure." What is the difference? I know that the line has been drawn for many years between expenditure on capital and expenditure on consolidated revenue, under one Government as under the other. But it is more or less an arbitrary line. It is true, that for the most part, expenditures on capital are for large works and those of a more permanent nature. But many expenditures chargeable to consolidated revenue account are premanent expenditures as much as those charged to capital account.

What would be the advantage, say, of cutting out the Quebec post office because it comes under income and including the museum in Ottawa because it comes under capital account? That is what the leader of the Opposition proposes: cut out what comes under income. That would cut out the post office at Quebec; I wonder if the right hon. gentleman will adhere to that proposal when he appeals for re-election. The policy of the Government on this subject was laid down by the Minister of Finance, and if any hon. gentleman opposes it in its terms, let him say so. With public works expenditures upon which we have already launched, said the minister, with public works which we have already undertaken, we propose to proceed; we propose to finish them. As to others, they must wait until such time as the revenues and the financial conditions of the country permit. Is that sound, or is it not? Could any policy suited to times of war, when all our resources should be conserved, be better stated than in the words of the Minister of Finance? To say that we have an estimate for next year of $180,000,000 is not to say that $180,000,000 will be spent; it is to say that the maximum that can be spent is the sum of $180,000,000. If one were to judge from the remarks of the hon. member for Halifax, one would think that the whole amount is to be spent immediately upon it being voted. But the fears of the hon. member for St. John city are quite different. He is perturbed because, as he says, we are not going to spend the money at all, and he does not want to see money voted when it is not going to be spent. He attempted to argue that because the usual method is followed of placing in the Estimates the maximum amount that the Government asks Parliament to authorize it to spend in the public interest, we are attempting to raise money for public works that we do not intend to carry out at all. If that is true then the money will apply directly against war expenditures, and will not that suit him? I was surprised to hear so strong a man as the hon. member for St. John present so weak a case.

The hon. member for Pictou (Mr. Macdonald) is now a disciple—yes, an apostle—of this doctrine of retrenchment and economy. He said that the Minister of Finance had been prodigality itself; that he had squandered the moneys of Canada to the four winds of Heaven, and that because he did not cut out this public work, or that public work, he

has plunged the country into debt, and consequently we have to have a War Revenue Act. The conversion of the hon. member for Pictou is very recent. Would anybody believe that this is the same hon. gentleman who, no longer ago than last June, went down to his own county, and in the town of Trenton castigated the Minister of Finance and poured vitriol upon the Government because they were so parsimonious in their public expenditures? He made a speech there of very considerable length, and you can search it from the first word to the last without finding

1 a.m.

any suggestion on his part that one dollar of expenditure ought to be curtailed. You will find no suggestion that economy should be exercised, but you will find many suggestions for the expenditure of money on this or that undertaking, and many aspersions on the minister because he conserved the treasury of this country at the expense of the people, as my hon. friend says, of his constituency. What about that Guysborough railway? The hon. gentleman was determined that same Guysborough railway from Sunnybrae, I think it was, to somewhere else, should be constructed immediately, and that the Minister of Finance or the Minister of Railways had no right in the interest of economy or in any other interest, to cut out of the Estimates the appropriation for that dear Guysborough railway in the county of Pictou. There was also an East river there which, I understand, if it could be made into a waterway, would compete with the Intercolonial, a Government road. He was determined that at whatever cost the East river should be completed, and that the people of that constituency should be given water transportation upon this East river. They would have obtained it, he said, if the late Government had been in power.

Mr. MACDONALD: Your Government is doing that work.

Mr. MEIGHEN: Then why does the hon. gentleman complain? Why, even if we do follow the suggestions of hon. gentlemen opposite with regard to items of expenditure, they want to pass a vote of want of confidence because we take them, partially, at least, at their word. Was it not interesting to hear the hon. member for Pictou rail at the Minister of Finance because he had utterly failed to take into consideration the conditions of the industry of this country, because, by reason of the failure of the Finance Minister to grapple with the situation down in the part of the country from which he comes, parties engaged in the steel industry had to close their businesses and many workingmen were thrown out of employment. I made bold to ask my hon. friend during the course of his remarks what suggestion he could offer as to what the Finance Minister should have done. Did anybody hear him answer? Does he answer now?

Mr. MACDONALD: I gave my answer.

Mr. MEIGHEN: Yes, I remember it now; it comes as borne by the zephyrs. This was his answer: "If the people of Canada had returned my honoured leader to office, we would have lived in the elysian fields of prosperity. What a brilliant, pointed and specific answer! But my hon. friend was not half so visionary last June when he was in the town of Trenton; nor was he afraid to state there what he thought the Minister of Finance should do, I have here a stenographic report of that speech, in which he points out what the Finance Minister should have done to alleviate the condition of the steel industry and the workingmen in the county of Pictou. I commend this quotation from the remarks of the hon. member to the consideration of the hon. member for Red Deer, who will, no doubt, have some sympathy with the Government in that it is attacked on the one hand by himself because they have duties at all and on the other hand by his colleagues because the duties are not high enough. Here is the statement of the hon. gentlemen:

> Do you hear much about the tariff in Trenton? Let us look at that during the sessions of the House of Commons under a Liberal Government. That body gave the Nova Scotia Steel Company large bounties every year, amounting to $45,000 each month.

Mr. MACDONALD: Everybody knows that.

Mr. MEIGHEN: Everybody knows that, and everybody knows that that is what was in my hon. friend's mind to-night and that he did not have the courage to say it. That is what he thought the Minister of Finance should have done; that is the policy of "economy and retrenchment" that he recommended to the hon. Minister of Finance so far as his constituents in Pictou were concerned. He goes on:

> From 1897 that work was going on and the Nova Scotia Steel and Coal Co. received that amount of money from the Liberal Government. When slight depressions occurred and people ceased to buy here, the works went on, for the men knew they were receiving the steel

bounties on the work they were doing, and they knew that better times would come shortly.

Mr. MACDONALD: Hear, hear.

Mr. MEIGHEN: How does that appeal to the hon. member for Red Deer? I do not hear any "hear, hear" from him.

Mr. MICHAEL CLARK: My hon. friend puts a question to me which I do not think he needs to put. He knows perfectly well, if he has any memory—and he has a good one—what I think about steel bounties. He knows that I opposed bounties when he was absolutely silent in regard to them and he knows that the West approved my view and disapproved his.

Mr. MEIGHEN: How did the West know my view if I was absolutely silent? I was silent in the House of Commons—why? Because my views were the views of the Government of the day and the old bounties were discontinued and I do not make a habit of criticising a Government for doing what I believe is absolutely right. That is the prerogative of the hon. member for Pictou.

Mr. MACDONALD: Then you were opposed to the steel bounties?

Mr. MEIGHEN: Certainly I was opposed to the steel bounties, undoubtedly.

Mr. MACDONALD: All right.

Mr. MEIGHEN: My hon. friend can quote that down in Pictou and the hon. member for Red Deer (Mr. Michael Clark) can quote that in Red Deer. The Government of the day under the circumstances that existed, were opposed to the steel bounties too. The hon. member for Pictou thought it would be a fine thing for the people in Pictou courty to have the bounty and what did he say:

> These bounties were out in 1911.

A rather historical year which I bring to the attention of the hon. member for Red Deer.

> Had the Liberal party been in power steps would have been taken to protect these industries. A low tariff exists upon these staple materials and bounties are off and the various steel manufactures have no tariff to protect their interests....A delegation went from the Steel Company to Ottawa and then came again in 1912 and 1913.

This is the Government that the hon. member for Red Deer says is always at the beck and call of big corporations. What is the complaint of the hon. member for Pictou?

> Nothing, however, ever was done, no looking to the future, no preparing for the time of stress and dull days, and these industries were not protected, so that the workmen could not suffer.

There was the complaint of the hon. member for Pictou not enough protection on the steel industry, not enough tariff, no bounties and for that reason he castigated this Government before the people of the eastern provinces. I venture to say that the hon. member will not repeat the castigation to the people in any other part of Canada. We should launch a policy of "retrenchment and economy." There is the cure for our ills: No war tax at all, just do as I say, said the hon. member for Pictou. Here is the best advice on "retrenchment and economy" I have heard proceed from the mouth of man. He complained that the Government were very parsimonious in building cars for the Intercolonial. He was strongly in favour of a policy of buying cars liberally and he had a method of his own of getting it done, a method he said he had employed very successfully under the late Government, and he recommended to the good Tories in the county of Pictou to try their own hand with this Government and see if they could not get an order in order to satisfy the growing demand for work of the people of the county of Pictou.

> The coal companies are slack just now but they say that another difficulty is that when they do have orders they cannot get sufficient cars to carry these orders. Here, again, is this Government with its characteristic stupidity.

Mr. MACDONALD: Hear, hear.

Mr. MEIGHEN: Now I will give an example of the stupidity:

> They gave a 180-car order. Why did they not make 500 or 1,000 for the Intercolonial?

Economy and retrenchment!

> The road requires the cars.

Here is the method by which he got the Government to fly in the face of the opinion of the Minister of Railways that 180 cars additional were sufficient for the purpose. Here is his method of suggesting to the people of Pictou, a well-tried method of forcing the Government to do as he wished.

> The good Tories should have got down after this Government and made them give an order for 500 or 1,000 cars. If our people were in power I would have done that and would have got the order or have known the reason why.

That was the apostle and the great prophet of "retrenchment and reform," preaching the Gospel to the county of Pictou.

Mr. MACDONALD: I want to say that the coal mines of Nova Scotia have been closed and the workingmen have been out of employment days and weeks in the past summer and the previous summer on account of the insufficiency of rolling stock on the Intercolonial, and does not my hon. friend think that the Intercolonial, being one of the few services on which the Government has a surplus, it should provide the road with necessary equipment?

Mr. MEIGHEN: The minister responsible for the Intercolonial will meet the member on that. It only illustrates that the duty of the Government is to provide public works, cars and everything else needed, even in the time of war. Why is he trying to throw his body and his influence in the way in order to stop the Government doing this very thing?

Mr. MACDONALD: Because you would not do it in time of peace.

Mr. MEIGHEN: I have no doubt he will say that they should have put a duty on steel.

Mr. MACDONALD: When we come to discuss the various tariff items in the Committee of Ways and Means I will have something to say in regard to that. Both parties in this country have agreed upon the maintenance of a tariff and have always maintained it. The Liberal party maintained a tariff which I presume is the same tariff which existed until the breaking out of the war.

Mr. MEIGHEN: Undoubtedly. I am going to try to fit that into the speech of the hon. member beside him (Mr. Oliver), who spoke the other night and see how the two jibe together.

Mr. MACDONALD: My hon. friend's task of discussing what individual members on this side of the House say one way or the other is of absolutely no consequence. My hon. friend will require all his time to discuss the record of the Liberal party during the fifteen years they were in power and the prosperity which spread throughout this country.

Mr. MEIGHEN: I will take more time to that than my hon. friend wants me to do. But I am glad of the hon. gentleman's habit of unbosoming himself, and I would not have attempted such a castigation of his party as he has delivered in saying that it was of no consequence whatever what the individual opinions of members of the Opposition were.

I think the opinion of the hon. member of very considerable importance, and the opinion of any member of Parliament of very considerable importance, by virtue of his representative capacity. And to show how much I do think of the opinion of the hon. member for Pictou, I am going to quote him again. I am quoting from the columns of Hansard of last August. The hon. member said:

> I do not think the Government has paid special attention to the exact condition of industry in this country in framing this method of raising taxes.

That is to say by duties on sugar, spirits and tobacco. That method did not suit him because it did not take into consideration the condition of the industries in the country; in other words, because it was not protective. That was the objection taken in August last to the proposals of the Minister of Finance by the hon. member for Pictou.

> When he came to deal with the question of amending the tariff, it seems to me he should have taken into consideration the question of whether or not he might not have dealt specifically with some of the cases where our importations from other countries will continue and the Canadian workmen will be out of employment.

Did you ever hear a more direct and indeed a more forceful statement of the case for protection than that made by the hon. member for Pictou? If you have a tariff at all, and you must have a tariff, he said as late as August last, then you have to frame your tariff to take care of the workmen of your own country, and to protect them against the importation of cheaper products that may still come in from foreign lands. The hon. member for Pictou this afternoon perhaps never more over-stated a case than the case I am just going to refer to. He harked back to the old Canadian Northern trouble and took very great exception to the prodigality of this Government in granting last session out of the treasury of Canada, as he called it, $45,000,000. He knew as well as I know that not a dollar was granted last session out of the treasury of Canada to the Canadian Northern Railway or to any other railway. He did know of course that their bonds were guaranteed up to $45,000,000, in order that the road might pass on to completion. But he comes here to-day and says: You were prodigal beyond all discretion; you had no regard for the treasury of your country when you

threw $45,000,000 to the Canadian Northern Railway. What did he say about that down in the town of Trenton, where he expected the extension of the Canadian Northern railway would be of service to his constituents, down there where he knew what would happen if we allowed the Canadian Northern to go into liquidation? What were his remarks about this Canadian Northern? Did he criticise us for our prodigality, for our waste of the public resources? No, he had a method of handling this proposition; and I am going to give the House his method and ask the House to consider whether a more beautiful plan of pursuing the policy of retrenchment and reform could possibly have been devised than that recommended to the people of Pictou county by the hon. member for that constituency. Speaking of the Canadian Northern railway he said:

> One hundred million dollars more will be needed to complete the road. This is the situation. They will need 52 millions more to pay their debts and complete the road.
>
> This is what the Government said. We will not loan you a dollar, but we will guarantee your bonds and you get out and sell them. If the bonds sell at the same rate as the last did they will net the company about 41 millions of dollars, and out of this Mackenzie, Mann & Company are expected to go out and pay debts of 152 millions and spend 100 millions more to complete the road. Now is it any wonder that no man who has looked into this proposition can see anything but folly in it. The Liberal members said we are not opposed to assisting the road but we do not want to employ this makeshift scheme. We would deal with it in a way that would be effective, just as we completed the Transcontinental railway.

The policy of "retrenchment and reform" in the field of railway enterprise recommended to this country is a duplication of that hideous nightmare, the Transcontinental. He goes on:

> This enterprise must go on. We need the railway. My hon. friend said that we should have control of the road, not own it, and let us be able to say that we are the masters and not the servants. The reason I moved the six months' hoist in the House was that the scheme was worthless. It was providing 40 millions of dollars where 152 millions were needed. What was the use talking about questions in that way.
>
> That is not the way statesmen deal with a question, a six months' hoist means a direct negative to the proposition, and holding that that was not the right way to handle it, and that was the way I moved the six months' hoist.
>
> It was not open for us—

He had to offer some apology for not suggesting this largesse policy to Parliament. Here is his apology:

> It was not open for us to move that a hundred million dollars be given. That cannot come from the Opposition. It must come from the Government.

Will the right hon. leader of the Opposition be good enough to join in the solemn assurance of the hon. member for Pictou that if the people of Canada will in the illumination of their intellects only reinstate into office the Liberal party, that party will put into force a policy of "economy and retrenchment" that will mean the re-visitation of their work on the Transcontinental railway. They found fault with the Minister of Finance for drawing attention to the Transcontinental. Is there an hon. gentleman opposite who, seeing what he sees today, would load the Transcontinental on the back of Canada? Do we need the Transcontinental? Is it worth the money? What is the cause of our financial trouble at this hour? Two hundred millions of dollars—more than enough to finance Canada's share in the whole war of liberty—thrown into a road built between Winnipeg and the town of Moncton. It was built under a contract—and what a contract! Of its weaknesses I purpose to speak just for a moment to-night. Two hundred millions of dollars thrown into a road, well built for the most part, if the road were needed at all, a road built for the most part in the northern wilds of this country, planted for all time by the people of this country under a hope embedded in a contract framed by hon. gentlemen opposite that it would be taken over by the Grand Trunk Pacific and operated for the benefit of Canada. The time may not be opportune for going into details of that contract, but I want to sow just a little seed in the mind of the leader of the Opposition. I wish to refer to the words of the hon. member for Pictou, I think, that that was one of the grandest contracts framed by any government.

Mr. MACDONALD: What I said was that I was very glad to hear the hon. member for Calgary advocating the necessity of the construction of that railway to Moncton and to the ocean ports of the Dominion of Canada.

Mr. MEIGHEN: I will be a whole lot gladder to see the hon. member for Pictou find that in the speech of the hon. member for Calgary.

Mr. MACDONALD: The whole House heard him if you did not.

Mr. MEIGHEN: I think he will be just as successful as he was in making the quotations from the speech of my hon. friend the Minister of Trade and Commerce.

Mr. MACDONALD: If my hon. friend thinks I have any desire to refrain from showing him the quotation in the speech of the Minister of Trade and Commerce I will not interrupt his speech now but I will on a later occasion when we go into committee on ways and means give them to my hon. friend.

Mr. MEIGHEN: That will be exceedingly interesting and I hope he will read his own statement as to the words of the Minister of Trade and Commerce.

Mr. MACDONALD: Certainly.

Mr. MEIGHEN: Now, there is a contract for the hon gentleman. If he does it in Committee of the Whole let him also place his statement that he has just made in regard to the speech of the hon. member for Calgary alongside with the apposite remarks of the hon. member for Calgary. There is a second contract for the hon. member for Pictou.

Mr. MACDONALD: My hon. friend's hearing is rather bad.

Mr. MEIGHEN: My hearing is good and my reading is very good too. The hon. gentleman boasts of his hearing but he is a very poor reader. Where do we find ourselves to-day? Has anybody seen the Grand Trunk Pacific springing forward to take possession of the Transcontinental railway? We have spent the money. We had a clause in our contract which allowed the Grand Trunk Pacific to say just what money we had to spend here and there and in what way. We have put ourselves under an obligation to the company to see that every mile of the road should be of a certain character with regard to construction, and we were blandly told by hon. gentlemen opposite that there we had a great safeguard for the people of Canada. Yes, it has been a mighty fine safeguard! The Grand Trunk Pacific became the contractors, drew millions of dollars out of their contracts—millions upon millions they drew—and now we are up against the time when it becomes their duty under the contract to take over the road. What is the security that this country has that the Grand Trunk Pacific will take over the road? We have not witnessed any great alacrity yet. We would be mighty glad to see it. Security? Does any hon. gentleman opposite remember the security? What security have we that they will take over the road? Nobody remembers any and I do not either. There is not a dollar of security in the contract. We are faced now with the position that while during all those years we handed under this contract the keys of the treasury of this country to the Grand Trunk Pacific we have no adequate means of enforcing the contract against them if they choose to resist the taking over the road and relieving this country from its operation. I do not want to spend much time upon that point. The time will come when we shall do it. The road is there, the road is built and how will my right hon. friend the leader of the Opposition feel if he learns by the progress of events that what he expected would be a great monument to his memory lies a streak of rust spurned by the very people whom he thought were going to take it off the hands of the people of this country? A contract that is the pride of Canada? If there ever was a contract, weak at every pore, if there ever was a contract bleeding from a thousand wounds, it is this contract. with the Grand Trunk Pacific Railway. A contract the pride of Canada? Who drew it? Hon. gentlemen opposite are responsible for it. Twelve million dollars of the money of the people of this country already represented the penalty we have paid for the way that contract was drawn. Are we at the end of these penalties? If one looks at that contract from any corner he is impressed by the fact that its outstanding features are its weaknesses, perhaps so fatal that one is at a loss to say whether they are attributable to recklessness or design. It has all the crudeness of innocence and all the deformity of guilt. Our money is in the road to day, almost $200,000,000 of our money is there. There it lies; interest piles up day by day, year by year. That and the Quebec bridge represent the burden upon the people of this country. While our hon. friends are almost shaking themselves out of their clothes in a struggle to dislodge a little chaff and straw, would it not be well for them to open their eyes and help to lighten the load that bends down the back of this country at this hour? The hon. member for South Renfrew (Mr. Graham) is to speak to-night.

Mr. GRAHAM: This morning.

Mr. MEIGHEN: The hon. member for South Renfrew cannot in his capacity as minister be charged with the inauguration of that folly, but he has made himself re-

sponsible for it by his words. And the burden thereof which is added daily and weekly to the backs of all Canadians is tremendous in proportion to the small, trifling items for which hon. gentlemen are detaining Parliament week after week at the present time.

Well, enough of that. Hon. gentlemen opposite do not like the present proposals. They tell us that we are endeavouring to assist our friends, as they choose to describe them, and not to collect revenue. They tell us that it may be that our tax is necessary but this is not the way to go about it. If criticism at this time were intended to help the country, were intended to be of assistance to those who are loaded with the responsibility of office in these strenuous days, surely they would tell us how they would raise this revenue. One would expect to have had some suggestion in the amendment moved to the motion to go into Committee of Ways and Means. There is no suggestion, and the speech of the financial expert of the Opposition makes no suggestion whatever, although it contains some very marvellous remarks. The speech of the hon. junior member for Halifax (Mr. Maclean) is full of very beautiful abstractions and wonderful negatives but, with the skill of a fencer, he took care never to make any suggestion as to where we could get a dollar of money. He says his party are perfectly loyal, and just as anxious as we are to support the war. To show it he says: "We will vote $150,000,000." They are the freest people in the world about voting money, but when it comes to raising the money they are different altogether. No suggestions whatever are made by them. They are willing to vote money out of the treasury, but when it comes to voting money into the treasury they are not with us at all, and not around at all. Here is the attitude of hon. gentlemen opposite. Here is the suggestion, as far as I can see one, from the hon. member for Halifax:

A revenue might possibly be obtained by an increase of 7½ per cent in the tariff rates upon selected imports.

Did he describe them? How is he going to select them?

Here and there items of imports might be found where this could be done with success from the revenue standpoint.

They might be found "here and there," but he took very good care not to put his finger either "here" or "there." One would have thought that he would have suggested a method. Here is his method:

Investigation would lead the way in selecting the articles.

One would have thought that the leader of the Opposition, or at least the financial critic, would have led the way instead of leading up to this rather visionary abstraction, called "investigation." The hon. member for Halifax does not think he is incapable of devising a method himself of getting this money, and he says to the hon. member for North Grey:

"Some time, when I have nothing else to do"—

He wants us to wait until after the next election.

—"and the hon. gentleman wants to know how I would arrange a tariff that would yield additional revenue under the circumstances prevailing to-day, I might do so, but I am not inclined t o do so at the present time."

Every sentence of his speech bore out that disinclination. He was inclined to oppose any and every method of getting the money into the treasury for this war, but he took good care not to acquiesce in or to suggest any method of his own whatever. Is that constructive statesmanship? Is that assisting the Government of the day to meet the contingencies and the exigencies of this great struggle, or is it not simple carping, party criticism of the lowest possible level?

According to hon. gentlemen opposite, we cannot tax anything. If the hon. junior member for Halifax (Mr. A. K. Maclean) follows his own principles, his own rules, he would never put a tax upon anything at all. You cannot tax railways, according to hon. gentlemen opposite. Who today was anxious to tax railways? Was it not the hon. member for Carleton (Mr. Carvell)? Yes, he wanted railways taxed, but the hon. junior member for Halifax says: do not ask railways to pay taxes. They cannot afford to pay even this extra 10 cents on bituminous coal; and if you tax them, up will go the freight rates in this country. Do not touch manufacturers either, says the hon. member for St. John (Mr. Pugsley). If you touch the manufacturers, for example, the manufacturers of bituminous coal, they will have to raise the price to the consumer. Do not touch raw products, says the hon. junior member for Halifax, because to do so is to violate every canon of both protection and free trade. Do not touch the finished product, says the hon. member for Assiniboia (Mr. Turriff), because to do so might help the labouring men and the manufacturers, and my farmers would never stand for that.

Do not touch necessities, the right hon. leader of the Opposition proclaims, because you might tax some one without the 5 cents. The right hon. gentleman is the protagonist of the poor man in Canada just at this hour. Never touch necessities, he says, for I will never allow my party to vote for a tax on necessities. Do not touch luxuries either, says his financial expert. The hon. junior member for Halifax says the main characteristics of a war tax are that it should be on articles "relatively cheap and of universal consumption." The right hon. leader of the Opposition looks at me in astonishment. That is the doctrine as propounded by his own financial expert, and his expert had the assurance to say that he spoke for every member on the Opposition benches. The Opposition, out of the mouth of the hon. junior member for Halifax, unless he is repudiated by his right hon. leader, is committed to a policy against a tax on luxuries in this country to pay for the necessities of the war. We must have our tax. If it is to be a war tax, it must, he says, be on articles relatively cheap and of universal consumption. I see the leader of the Opposition consulting with his friend on his left, the hon. member for South Renfrew (Mr. Graham), and I am rather inclined to believe that he thinks that I am not correctly quoting his financial expert.

Sir WILFRID LAURIER: I was saying that my hon. friend was not speaking to the question.

Mr. MEIGHEN: For any fear that my right hon. friend might later on develop, I will quote exactly what the hon. junior member for Halifax said:

> Now what should be the main features of a war revenue tax? It should be made as much as possible on articles relatively cheap and of universal consumption.

In order to show that he was firm in his allegiance to that doctrine, just a few pages afterwards he goes on to criticise this Government because it did not put a tax on tea. He says: It shows that you were not animated by considerations of patriotism at all; you were animated by considerations of politics alone, by unworthy considerations, because you refused to put a tax upon tea. He says: I am the father of this doctrine, and I speak for every member behind me when I say that when you are taxing for the purposes of the war, you must tax things relatively cheap and of universal consumption. Will the right hon. leader of the Opposition say that luxuries are relatively cheap and of universal consumption? Has he come to the conclusion or has his financial expert that the poor people are not using things of universal consumption, but that they are consuming luxuries? Does he agree with the hon. member for Halifax? I cannot get an answer out of him. There is the basic teaching of the Opposition that when you put on a war revenue tax it must be its cardinal and universal principle, so it is propounded by the hon. member for Halifax, whom the right hon. gentleman set up to lead the way for the Opposition in this discussion. No doubt he told the hon. member for Halifax to say that in every line of his speech he spoke for every hon. member of the Opposition.

I set out to say that, if we follow hon. gentlemen opposite, we never can raise a dollar upon anything one way or another. I invite any hon. gentleman opposite to suggest a single tax, not at present in the Budget, that we possibly can impose and at the same time not conflict directly with the dictum of some hon. gentleman on the other side. We could not impose a dollar of taxation and not fly directly in the face of the principles propounded in this House by the hon. member for Halifax speaking for every member of the Opposition. Nor could we save money either and not run directly against the principles preached from end to end in Canada last June and later than that by hon. gentlemen opposite. How then are we to get a war tax? War without taxation is the policy of hon gentlemen opposite. Live on some one else! Do not pay the money! Vote it out of the treasury, if you like, but do not get it from any one! That is the war policy of hon. gentlemen opposite. Adopt the C.O.D. policy of the Liberal party in 1900, and send the soldiers away at the expense of Great Britain.

But we have a suggestion from hon. gentlemen opposite. Perhaps I did not do justice to every hon. member opposite. I do not see it included in the amendment of the right hon. leader of the Opposition, but we have a suggestion on the one hand of a land tax, and on the other of an income tax. The leader of the Opposition knew that it would never do to put those into his amendment. He knew that he would not have a show on earth before the people of this country, and that he could not carry his party with him; and he was afraid that if he suggested it, it would be like his suggested free food policy, a policy only "for

the moment." The hon. member for Saltcoats (Mr. MacNutt) suggests a land tax. He wants, he says, to be easy on the farmer, I am at a loss to know any method by which a distribution can be made that is fairer or easier for the farmer of Canada than the methods of this Budget. The hon. member for Saltcoats offers a suggestion, and tells us that he has the Saskatchewan Grain Growers' Association, of which we have heard in times gone by, behind him in his proposal. They are good citizens for the most part, and on that account their suggestion is worthy of consideration. The suggestion is a tax on land. I will give you as an example the instance of a farmer in western Canada, and I regret to say not an uncommon instance. He is the owner of a half section of land which is worth, let us say $10,000. He owes this year $7,000 against it; his interest is about $3,000. The proposal of the hon. member for Saltcoats is that we tax that farmer on $10,000 of property and let the fellow with the mortgage for $7,000 go scott free. The farmer whose interest is $3,000 pays on $10,000 and the leisured man who has the mortgages for $7,000 pays nothing at all. That is not an unfair representation of how that would operate in the western country as well as in all parts of Canada. That tax is also open to the same objection as the right hon. the leader of the Opposition levelled against the duties now under consideration. "Ah," says the leader of the Opposition, "you are taxing British goods after they have escaped the German submarine." But what would he have said if we had taxed the farmer's land and the labourer's land? He would have said: "At this hour, when the possibility of our surviving depends upon production from the soil, and when we should conserve production, you impose a tax on land." He would say: "Because the land of the western farmer has escaped the violence of the Krupp machine, you expose it to the devastation of your murderous Revenue Act." Would that not have been the argument in his mouth?

And if we had levied taxes on income, where should we have been? The tax on income is notoriously a slow one and takes years to develop. Further, it is essentially a tax that belongs to the provinces. And when the hon. member for Saltcoats advocates a tax on income I would suggest a course for him by which he might establish himself in the good wishes of his own government in that province. Let him go to his friends who are in power in that province and urge upon them to establish a tax on incomes. And let him say that if they levied that tax, they might relieve this Government from some of the obligations we are assuming in the way of advancing seed grain. What is the situation to-day? We have the provinces coming to this Government at this time—and especially the provinces of Alberta and Saskatchewan where there are Liberal Governments—and saying: We have not money enough to take care of the interests of this province and we would like to supply seed grain for the drouth-striken people; but we have not the money; we ask for your assistance. The municipalities come and say: Our land people are the heaviest taxed and they cannot pay, and our land is going to tax-sale. And here would be the remedy of the hon. member for Saltcoats—the only remedy suggested—that while your municipal lands are going for taxes, you should tax them more, and where your provinces cannot get revenue the Government of Canada should invade their field and rob them of what sources of revenue they have.

I have no sympathy in times such as these with a policy of despair. I believe that now, when we are inviting the people of Canada, particularly the employers of Canada from one coast to the other, to stand by their workers and employees, is the time when the Dominion Government should set an example in that respect and not follow a policy of despair. I believe that when we are asking our railroads to struggle against great difficulties and if possible keep every man in their employ, we should not do as suggested by the hon. member for Assiniboia, weakly allow our railroads to go into liquidation on a mere technicality which would forbid the Minister of Finance to advance money on bonds guaranteed by the Dominion of Canada itself. I do not believe in a policy of this kind, a policy which will allow the industries of this country to lapse further than they have already lapsed according to the hon. member for Pictou (Mr. Macdonald). I do not believe in turning more workmen out on the street and adding to the army of workers who in every country to a great extent, and here to some extent, surge around the doors of Parliament. The hon. member for Assiniboia (Mr. Turriff) seemed willing to go to the country on this issue. The hon. member for Pictou tried to

modify that attitude to some extent. But the challenge was thrown out, and it lies there yet. Anxious to go to the country! Anxious to go to the country on a policy of timidity and despair, at this time when of all times we should present a strong front to every form of danger. Anxious to go to the country on a policy of liquidation for our railroads, stagnation for our industries, agitation for our western farmers, and starvation for our workingmen. That is the policy inscribed on the banners of hon. gentlemen opposite. At a time like this, I do not think hon. gentlemen opposite should be too anxious to challenge this Government to go to the country. At a time like this when upon the firmness of the grip between us and the Motherland may depend the safety of both; at a time like this when union and co-operation may mean the life of this country; when all depends on joining hands and presenting the strength of all as the strength of one; at a time like this, when all the resources of our country should be conserved to bring about the best results to our people, and when none should be allowed to go the way of waste—at such an hour, I venture to say, the people of Canada, getting behind the sanctity of the ballot, will never reinstate in office the destroyers of naval collaboration and the perpetrators of the Transcontinental railway.

Hon. GEORGE P. GRAHAM (South Renfrew): Mr. Speaker, I must apologize to the House for taking up even a short time at this hour of the morning. The subject has been debated at great length, though not by my hon. friend the Solicitor General (Mr. Meighen), for he only touched it for about twelve minutes. He dealt with everything else, and carried on a very pleasant conversation with hon. members. As I listened to his wonderful peroration about unity, I wondered if he had delivered that to the Minister of Railways (Mr. Cochrane) and the Minister of Public Works (Mr. Rogers) in October last. Now the hon. gentleman cries unity; do not break into unity by an election; and a few months ago the men sitting beside him tried to force an election in this Dominion. He should have delivered this oration to them at that time. Why did he not do it? I want to make myself absolutely clear. It has been said, and said untruthfully, that I challenged the Government to go to the country. I say "untruthfully" advisedly. My hon. friend said that the hon. member for Pictou is not a good reasoner; he himself is a mighty poor listener if he thought that what I said was a challenge.

[Mr. Meighen.]

Members on the other side of the House have been talking about elections. In answer to the hon. member for Assiniboia they have been saying several things about elections. If, in fact, at any time during the session we attempted to criticise, the big club was held up in a threatening manner. I said to hon. gentlemen, what we do or will not do will make no difference with the Government; they will go to the country if they want to, and will not if they do not want to. I said if they are going why linger shivering on the brink as they did last fall? Why not go? I issued no challenge; I say now that it would be little less than a crime to involve the country in a general election at this time, in the face of what is now taking place in Europe.

My hon. friend insisted that we on this side of the House should tell him how to raise this revenue. Nearly all hon. gentlemen opposite have shown their lack of confidence in themselves by asking the members of the Opposition to frame up a policy for them. My hon. friend began by speaking of co-operation; we invite co-operative criticism, he said.

Mr. MURPHY: After the deed had been done.

Mr. GRAHAM: There was a time when hon. gentlemen opposite could have had co-operative criticism; there was a time when they could have had more co-operation, perhaps, than they can have now. Every time we say anything now hon. gentlemen opposite interpret it as a want of confidence in the Government. Had the Prime Minister of the Dominion been as big as the Prime Minister of Great Britain, a conference would have been held between the leaders of the parties and something would have resulted to prevent, perhaps, all this criticism. I say advisedly that no conference was offered to the leader of the Opposition and no conference was held. The Prime Minister to-day, very weakly, I thought, said that he had sent a programme to the leader of the Opposition. But that is done every session. That is not a conference; that is the supplying of information to the leader of the Opposition as to what the Government is going to do—it is not asking their advice as to what action the Government should take. That is not the way the Prime Minister of Great Britain went about it. The Prime Minister of Great Britain had a conference at which the advice of the leader of the Opposition was asked, and, no doubt, received. A con-

2 a.m.

ference was also held between Lloyd George and Austen Chamberlain. That is the course the British Government took in the way of co-operation. They appointed Kitchener as first war lord, and both parties united to carry on the war to a successful issue. But this Government have kept these matters as close a secret as they would keep a writ of general election. Not until they found that the people did not take kindly to their horizontal increase in the tariff did they suggest that the right hon. leader of the Opposition or any member of the Opposition should be consulted. They have departed from every British precedent in the management of the war so far as the Opposition is concerned. By their actions they have said: we do not want the co-operation of the Opposition, except to vote whatever we tell them to vote. That is not co-operation. The hon. Solicitor General comes too late with his invitation for co-operation. He could have had co-operation with the leader of the Opposition, who is a sworn member of the Privy Council, and that co-operation would probably have resulted in a policy not subject to the criticism which is being made at the present time. The Government was more anxious to have an election last fall than they were to have co-operation with the leader of the Opposition; I am looking at men now who know the truthfulness of what I say. I repeat that some members of the Government—yes, I think I can include all members of the Government—were prepared to go to the country last fall and were more anxious to secure a party verdict when the Empire was at war than they were to secure the co-operation of the leader of the Opposition.

The hon. Solicitor General said that I am the editor of a paper in Montreal. That is not true; I am president of the company, but not the editor of the paper. I merely want to correct my hon. friend; he himself takes so much care to correct hon. gentlemen on this side when they are wrong.

Mr. MEIGHEN: I said I understood the hon. gentleman was the editor.

Mr. GRAHAM: The hon. gentleman's understanding was wrong; I am simply correcting him. He said also that I was responsible for the opinions of another newspaper. I am not going to discuss these two points further than to say to him that he thinks the Liberal papers are going to remain silent while a newspaper looked upon as the organ of the Minister of Railways and the publications of an organization in Ottawa said to be under the direct control of the Minister of Public Works malign and misrepresent them, he does not know the Liberal press of the Dominion of Canada. In some of these Conservative papers not for one day was there a cessation of the attacks which were made upon the leader of the Opposition. The people of the country will laugh at the statement of the Solicitor General that he and his Government did not know this.

Mr. MEIGHEN: What statement?

Mr. GRAHAM: I am not going to repeat it; the hon. gentleman will see it in Hansard.

Mr. MEIGHEN: I did not make it.

Mr. GRAHAM: The hon. gentleman does not know what the statement is, but he says he did not make it.

Mr. MEIGHEN: How could I know what it is if I did not make it?

Mr. GRAHAM: My hon. friend denied having made the statement to which I rereferred before he knew what the statement was.

Mr. MEIGHEN: Because I did not make it.

Mr. GRAHAM: I want to discuss this matter fairly. My hon. friend is very clever and very ingenious in twisting things about; I do not think that any other hon. gentleman opposite—not even the hon. member for Calgary—could do so well in that particular kind of argument. Because of my not having the legal training which he has, my hon. friend will excuse me if I do not see the fine points of some of his criticisms. The hon. gentleman spoke of the revenue from excise in connection with imports. I suppose my hon. friend did not mean to say that, but when he comes to read the proofs of his speech, he will see that he did say it. Or perhaps it will not appear in Hansard, because of my hon. friend's having previously corrected it.

Mr. MEIGHEN: I never do that.

Mr. GRAHAM: In discussing the duties my hon. friend first referred to a decrease in imports and then said that there was consequently a decrease of excise as well. Of course, there is no connection

whatever between excise and imports, because excise is duty payable upon goods manufactured in Canada for home consumption.

Anticipating what I was going to say, the hon. gentleman insisted that I should deal only with current revenue. He knows the way in which he deals with these things when he gets outside of Parliament and has no one in front of him to challenge his assertions, and he insisted that I should deal with them in the same way. I will oblige my hon. friend, if I can, and give him the benefit of any doubt, if he can find any. He pointed to the year 1911-12 as a year in which there was a slight surplus over current and capital expenditure. Does he not know that the Liberal Government were in power in October of 1911, that the Conservative Government not only took over our Estimates, our plans, our specifications and everything but, as his colleagues said, they only completed what we had undertaken; and if there is any credit to be taken the credit is for the Liberal Government. I regret that the Solicitor General is not quite in the Government; there are lots of things take place in council that perhaps they do not tell him about. They are so secretive I wonder that he found out anything about this war business at all. Now I come to 1912 and 1913. In this House and in the Conservative press of 1913 what was the answer to the discussion of the Estimates? Why, these are your own Estimates! The late Government went out in October, 1911; the departments had their estimates prepared for 1912 and 1913 and we were told in the House, when we attempted to discuss the Estimates, that these were our own Estimates; and still the hon. member wants to take credit for them. The Estimates for 1912-13 were the Estimates of the Liberal party and the year's account show a surplus over both capital and current expenditure.

Mr. MEIGHEN: We did not spend all your Estimates.

Mr. GRAHAM: My hon. friend was not in a spending department. If my hon. friend takes the expenditure he must take the revenue as well. If we are charged with the expenditure of 1912-13 we must be credited with the revenue.

Mr. MEIGHEN: I did not charge you.

Mr. GRAHAM: He was explaining how they got a surplus over capital and expenditure. But the first year the Government makes up its own estimates there is a deficit of $21,000,000. Take 1913-14 the first year for which this Government prepared its own estimates, and they came out with a deficit of $21,000,000, if we do what my hon. friend wanted to do, put capital and current expendtiture together. So much for my hon. friend's flourish of trumpets about the member for Red Deer (Mr. Michael Clark) supporting a Government that did not pay its way. The hon. member for Red Deer was absolutely right and hon. gentlemen seem to forget that the chasm between economy and extravagance is the difference between living within your income and living beyond it; and they started to live beyond their income the very first year they had the complete handling of the finances. He made another pecular argument. He said it does not follow that because we are asking for all this money we propose to spend it. He dilated upon that at great length. That is what we have been arguing on this side of the House. Hon. gentlemen, according to the Solicitor General, are putting money in the estimates which they may not expend and on the basis of asking for money which they do not expend they are imposing taxes on the people of Canada. What I say is that they should only ask for the money they intend to expend and to expend economically, and base the rate of taxation on the money which they really want and not on the maximum of what they could spend.

Mr. MEIGHEN: If the hon. gentleman's argument is correct that the money will not be spent for public works or other purposes, then will not the money be put in the public treasury and be available for the purposes of the war?

Mr. GRAHAM: My hon. friend is now going to tax the people to get a surplus, but is that good financing when the people of this country are in the position we are in to-day?

Mr. PUGSLEY: That is not even honest.

Mr. GRAHAM: If it is not intended for the war or public works, it is not even honest to ask for it. The hon. member spoke of the Canadian Northern Railway, gingerly, delicately, touched it on one side and came away, then he as delicately touched it up, on the other side, looked over his handiwork said: I think I have polished off that statue very nicely. He forgets that the late Liberal Administration did not aid the Canadian Northern Railway in the extension of its lines west of the Rocky mountains, and that a large share of the money

required to be got through the guarantee of bonds last year was to provide for the railway started in British Columbia by Sir Richard McBride but which they could not finish without more aid. The Canadian Northern Railway in British Columbia is constructed under a provincial charter, not a Dominion charter, under a contract with Sir Richard McBride, and he is to control the rates and not the Board of Railway Commissioners for Canada. The Canadian Northern Railway people did come to the late Government asking aid for that line, and I say now that we refused them aid for the line west of the Rocky mountains. They entered into a contract with the British Columbia, Government and every person in Canada knew that the railway could not be built under those conditions. Since this Government came into power they came here and got a distinctive grant of money for that line. I think it is unfair of my hon. friend to blame the late Government for all the Canadian Northern Railway expenditure as far as that part is concerned and that was a large part of the $45,000,000 with which the Liberal Government had nothing to do; it was for a line which they did not encourage. My hon. friend's argument is that if the Government had been a Tory Government instead of a Liberal Government they would not have these obligations to meet in connection with the Canadian Northern Railway. If his words mean anything they mean that. Will he say that he would not have aided the Canadian Northern Railway in any shape whatever from the beginning?

Mr. MEIGHEN: I never argued on the question of responsibility for the Canadian Northern Railway, but if the hon. gentleman wants to engage in that discussion with me I am perfectly willing.

Mr. GRAHAM: He argued several times on the Canadian Northern railway.

Mr. MEIGHEN: Not in the sense of responsibility for it.

Mr. GRAHAM: Then he was not arguing at all, and I will drop it because he argued that it was one of the lines covered by the $45,000,000. I think he will find on reading Hansard that he left the impression that we were responsible for the Canadian Northern Railway.

Mr. MEIGHEN: I believe you were, too.

Mr. GRAHAM: My hon. friend says now I am right. I want to ask him this: Would he not have aided the Canadian Northern Railway as we did, if this Government had been in power?

Mr. MEIGHEN: I would have dealt with the Canadian Northern railway the same as any other public work.

Mr. GRAHAM: My hon. friend has admitted that they would have done it. He talks about us taking refuge in silence, but he takes refuge in worse than silence.

I now come to the Quebec bridge, about which I have a little quarrel with the Minister of Finance. The impression has been sent out to the country that this Government had to pay all the expenses of the Quebec bridge. That is rubbish, absolute rubbish, they did not have to do anything of the kind.

Mr. W. T. WHITE: When was that sent out?

Mr. GRAHAM: I think the speech was read out to-night.

Mr. WHITE: I think my hon. friend had better read it again.

Mr. GRAHAM: It was read in the House to-night. I remember hearing my hon. friend speak one day about the Quebec bridge, and he referred to the fact that it fell down or something of that kind. Does not that mean that he wants the country to believe that this Government had to pay for the loss of the Quebec bridge falling down? I say they did not have to pay a farthing, and they did not pay a farthing. The Laurier Administration settled up for that disaster before it went out of power. I want to ask a question. Is there a member of the Government who will say to-night that they would not have started the Quebec bridge?

Mr. SAM. SHARPE: We would not have let it fall.

Mr. GRAHAM: They admit that they would have started it.

Mr. W. T. WHITE: No, they do not.

Mr. GRAHAM: If the Postmaster General was in his seat; but he does not need to be in his seat for every hon. member for Quebec knows that both parties for years put themselves on record as being in favour of the construction of the Quebec bridge. Both parties were committed to it years ago. Then how can they say that it was a burden left them by the Liberals.

I come now to the Transcontinental, one

of the legacies as it has been called. You know this Government has given two reasons why they want these taxes: First, the war, secondly the legacies. I might refer to them as the two pestilences, at least the Liberal party was the pestilence. I want to ask the Solicitor General, as the legal representative of this country, if he ever heard of a legal adviser publicly telling the adversary of his client that he would throw up his hands because he had no case? My hon. friend has told the Grand Trunk Pacific to-night that the Government has no case, and he has been glad to do it; and it is only in line with what this Government has done in regard to the National Transcontinental railway ever since it came into power. I charge this Government with having, from the day it came into power, proceeded to give the Grand Trunk Pacific reason for not taking over the Transcontinental railway. From that moment until the Solicitor General representing us, the Dominion of Canada, announced publicly here to-night that we had no case with the Grand Trunk Pacific, this Government has followed the same line with that road.

Mr. MEIGHEN: If the hon. gentleman would do me the courtesy of saying what I stated, I should not have to interrupt him. I said nothing of the sort. I said that we had no security to compel them to take over the road, and I will abide by that till the last letter. I should like the hon. gentleman to show where we have the security. But if we have not, is it not more honest and better to say so?

Mr. GRAHAM: My hon. friend is getting very honest.

Mr. MEIGHEN: You had better get honest.

Mr. GRAHAM: He said that the Grand Trunk Pacific contract was bleeding at every pore. He practically said that the contract was no good.

Mr. MEIGHEN: Oh, no.

Mr. GRAHAM: I do not want to discuss it at any great length just now, for the time will come when it will have to be discussed. The Solicitor General practically said that the Grand Trunk Pacific contract was the weakest contract ever drawn up in any country. If my legal adviser told my adversary such a thing as that, he would lose his position mighty quickly. I say the Solicitor General has done injustice and discredit to himself in this House to-night. He has told the Grand Trunk Pacific that we have no case.

Mr. BURNHAM: The Opposition is not his client.

Mr. GRAHAM: My hon. friend is about that size. My hon. friend says that the Opposition is not his client. Sir, the people of Canada are his clients.

Mr. MEIGHEN: And I tell the people the truth.

Mr. GRAHAM: I am glad he admits that he tells the truth. Possibly he knows that in some cases it needs an admission. I leave it to the country and to the members of this House if I have exaggerated the position taken by the Solicitor General. If he did that in a private case between two litigants he would soon be out of his job as solicitor for one of them. They would tell him to go over to the other side in whose case he had more confidence. There was no necessity for his going to that length at a moment when he admits inferentially that there is a difference of opinion about taking over the road. He practically told this House that the Government has no case.

Mr. MEIGHEN: No, he did not.

Mr. GRAHAM: It could not mean anything else.

Mr. MEIGHEN: I think the ex-Minister of Railways in dealing with this subject should be a little more careful than he has been. I said there was no security, but I never said a word to the effect, or even intimated that we could not compel them to take over the road, or that we could not get a judgment to that effect. I said the late Government failed to put in security. I do not intend to proclaim a falsehood even to satisfy the hon. member.

Mr. GRAHAM: I am not going to discuss that any more. Had he only said that, it would have been all right. But that is not all he said, and hiding half of what a man has said is the worst kind of misrepresentation. I charge this Government—and the action of the Solicitor General to-night only substantiates what I am going to say. When this Government came into power, for some reason they started to change the grades on the Transcontinental. They will not say they did not.

Mr. COCHRANE: I say no.

Mr. GRAHAM: I say they did. They changed the grades on the road, and they

argued in this House by the hour—the Solicitor General knows that—that the changing of the grades did not interfere with the hauling capacity of the trains. But they admitted changing the grade of the road in many places. It is on record. Any person can see it on Hansard. And the Government argued for days, not that the changes were not made, but that they did not injure the efficiency of the road. What happened then? The president of the Grand Trunk Pacific notified this Government in writing that, if they continued to change the grades and structures as they had been doing, the company would not take over the road. That letter is on Hansard and hon. gentlemen can look it up. I think the words of the president were: "We cannot take over the road," or it was something just as emphatic. But the Government instead of endeavouring to meet the company, continued to change the grades, and I say that the company hardly received a courteous letter in connection with the matter. These letters are all on record in Hansard. With that staring the Government in the face, would not a Government that was trying to make a success of the Transcontinental have met the company and endeavoured to arrange the difference. But that was not done so far as I ever heard. My hon. friend talks about not taking over the road. The Transcontinental is not finished to-day.

Mr. MEIGHEN: Does the hon. gentleman not recognize that he is committing flagrantly the offence he charged me with?

Mr. GRAHAM: I certainly am doing nothing of the kind. I am stating what was put on record but what my hon. friend said to-night was never put on record before. This road is not completed. The present Government, instead of pressing on with the work of the National Transcontinental railway, has proceeded not only to change the grades but to make new plans in Quebec. I am not going to argue the efficiency or inefficiency of those plans. The plans were changed, and any correspondence which I have been able, through returns, to get my hands on, does not indicate that the Grand Trunk Pacific Company has ever yet agreed to these changes. It is clear that the road is not completed according to these changes. Surely this Government is giving the Grand Trunk Pacific every possible excuse for not taking over this line—why? If, as they say, the road is two streaks of rust, whose fault is it? This Government is responsible for that condition. Let me point out the real situation. The Grand Trunk, in its stress, was not anxious for the operation of the railway down through New Ontario, or a portion of it, but it was made a part of the contract with the late Government that they must take what may be the lean portion for a few years with the fat portion of the line. That was put into the contract. One of the chief duties of the Government in connection with the National Transcontinental railway was to watch diligently so that no excuse should be given to the company for not taking over the road. One of the greatest difficulties we had with the late Mr. Hays was along that line, and after some weeks we succeeded in getting the consent of the Grand Trunk Pacific that they would put in their claims as to differences before the arbitrators within a stated time. Had we not done so these claims would have come in long after the road was completed, and the Grand Trunk Pacific Company would have had reason for not taking over the road. Up to the time the late Administration went out of power the Grand Trunk Pacific had not one excuse for not taking over the road. When this Government came into power they proceeded to give them an excuse. They did not even stop at that. This Government hired two partisans at $100,000 to make out a case for the Grand Trunk Pacific. Without discussing that report, let me say that there never was a more misleading document placed before any Parliament or country. It not only was misleading, but in many instances it was absolutely and wilfully untrue. What have the Government done for the Grand Trunk Pacific? They have had a report made out by their own commissioners showing that the Grand Trunk Pacific had cost $40,000,000 too much, and the company now hands it back to this Government. The Grand Trunk Pacific does not have to make out a case. This Government, entirely for political purposes, and to give two partisans a job, have made out a brief for the Grand Trunk Pacific. My hon. friend the Solicitor General is hedging and pretending that there is something wrong with the contract. He sees what is coming, and he now tries to blame it on the contract. The contract was strong enough, but this Government did not live up to it.

Mr. MACDONALD: The contract was drawn by the Chief Justice of the Dominion.

Mr. MEIGHEN: Had you not better leave that to the engineer?

Mr. GRAHAM: My hon. friend, who is an astute lawyer, knows that what I say is correct.

Mr. MEIGHEN: I know it is not.

Mr. GRAHAM: My hon. friend does not know what I am going to say yet. My hon. friend knows full well the strong evidence that was handed to the Grand Trunk Pacific in the form of the report made by their own commission appointed to investigate the National Transcontinental. The Chief Justice of Canada drew that contract.

Mr. MACDONALD: And he knew as much about drawing contracts as the Solicitor General does.

Mr. GRAHAM: Let me proceed along another line. I have dealt with the Quebec Bridge, the Canadian Northern and the National Transcontinental railway. My hon. friend has said that these are legacies. I have pointed out that they would have had to build them just the same. The hon. Minister of Railways and Canals (Mr. Cochrane) said in reply to me two years ago in this House that he had never heard anybody object to the construction of the National Transcontinental railway, but they objected to the cost. It would only be a question of degree as to the amount anyway, because the head of the Railway Department had admitted that they would have constructed the road themselves.

Mr. MEIGHEN: No.

Mr. GRAHAM: My hon. friend will find it in Hansard.

Mr. MEIGHEN: Had the hon. gentleman not better produce it?

Mr. GRAHAM: My hon. friend knows that what I am saying is true. I was discussing the statement that some members of the Government were against this road, and the Minister of Railways and Canals said, and it was absolutely true, that he had never heard of any one being against the building of the Transcontinental railway but that they were against it having cost so much. However, it would only be a matter of degree. Let my hon. friend take the Transcontinental railway, which is the biggest matter that he has had to deal with since he came into power, and take the surpluses for which the Liberal Government were responsible, and if he does that he will probably find that he will have a little balance in his favour after all charges have been met.

I was pleased with the way in which my hon. friend the Minister of Trade and Commerce (Sir Geo. Foster) addressed the House. He made one statement that seemed to me to come home to the members of the Government. He intimated that the Government could reduce their expenditure by $30,000,000.

Mr. MEIGHEN: I cannot find it.

Mr. GRAHAM: My hon. friend cannot find anything he does not want to find. My hon. friend the Minister of Trade and Commerce said that the Estimates this year for public works amounted to $22,000,000. That was an error; the Estimates are $31,000,000. The estimates are $22,000,000 in one place, and $9,000,000 in another. He was discussing what possibly might be done, and when a member of the Government admits there is a possibility of doing this it must be pretty evident that there is a possibility.

Mr. MEIGHEN: Oh, Oh.

Mr. GRAHAM: Perhaps my hon. friend does not like the Minister of Trade and Commerce enough to want to help him.

Mr. MEIGHEN: Yes, I do.

Mr. GRAHAM: The hon. Minister of Trade and Commerce said this:

> Make the greatest diminution you safely can in the expenditure of all other departments, and it will puzzle you to produce an economy of $30,000,000.

Some hon. MEMBERS: Hear, hear.

Mr. GRAHAM: Do not laugh, like the Solicitor General, before you hear the whole of the statement:

> —and still do your duty by the public administration and the services of the country. Yet you have a deficit of $30,000,000 to be made up.

He goes on and admits—

Some hon. MEMBERS: Oh, oh.

Mr. GRAHAM: Yes, he admits that there is a deficit of $60,000,000, and he assumes that there could be $30,000,000 saved, and still argues that there will be $30,000,000 left. Surely the Solicitor General does not require to interject anything at all. I am merely explaining what I take to be the real meaning of the Minister of Trade and Commerce.

I was a little surprised by some of the remarks that were made by the right hon.

the leader of the Government (Sir Robert Borden). The speech of the Minister of Trade and Commerce was wonderfully eloquent, as his utterances always are; but it seemed on behalf of the Government to partake somewhat of the nature of a plea of guilty and to beg for a recommendation to mercy. He said: You ought to sympathize with the Government; they are not altogether responsible; perhaps you on the other side are responsible for the major portion of it. I regret again that the Prime Minister did not, like the Prime Minister of Great Britain take my leader into his confidence, because if he had done so he would have secured not only his sympathy but as well his co-operation.

I come now to a point in reference to the real question. I could deal with some figures as to the expenditure, but I will not detain the House, because that question has been discussed so fully that everyone must understand it. This however must stand out, that this Government proceeded to increase the expenditure by leaps and bounds after it came into power, no matter what the revenue was. That fact has not been denied. The expenditure has been increased from $137,000,000 to $186,000,000 and this year to $190,000,000. I charge, not that we are not at the present time in difficulties and must have money, but that it is not fair to blame that necessity on the war and on the so-called legacies left.

I have dealt with the legacies. Now let me deal with the other situation. Prior to the year 1914, yes, before that, as hon. members know, times in Canada were absolutely bad; the financial situation was stringent; the banks had shut down on speculation. Some of us know that to our cost. Business men could not get the credit that they had before. Business in the great centres of Canada was in a state of depression long before there was any war in Canada. The city of Montreal, of which I know something—and I shall be borne out in my statement by the hon. Minister of Justice—and all the other leading centres were crying out: How long will the hard times continue? What is going to be the result? Had not the Stock Exchange closed down, there would have been many crashing failures in the city of Montreal. The Stock Echange had shut down before war was declared.

Some hon. MEMBERS: No

Mr. GRAHAM: Well, let hon. gentlemen look up the matter.

Mr. MEDERIC MARTIN: Yes, it was shut down.

Mr. GRAHAM: I will ask the hon. member for Charlevoix (Sir Rodolphe Forget). I say the Stock Exchange was closed before war was declared.

Mr. STEVENS: Because of the war.

Mr. GRAHAM: That is not the question. I have not come to the reason. I was stating that fact, which every one knows to be a fact. Hon. gentlemen should not rush in where angels fear to tread, when they know nothing about the question.

Long before there was a war, long before a war was expected either by Great Britain or by Canada, times in Canada were very bad, and business was at a standstill and worse. Men did not know where to turn in order to finance themselves. The answer to that by hon. gentlemen opposite is that that state of depression was world-wide. Let me take that view of it. If it be true that the depression was world-wide, and that every one knew it, what was the duty of the Government of the Dominion of Canada? What would any business man have done? What would any board of directors have done? What would any president of a company have done? They would have begun retrenchment long before war was declared; that is, they would have retrenched in every possible way. This Government did not retrench although long before war was declared revenues were falling very rapidly on account of the financial stringency throughout the world, as outlined by the hon. Minister of Finance. The hon. Minister of Finance when he made his Budget speech last year, said that he saw that the clouds were lifting, and he encouraged the people to believe that they were going to have better times. The business men of Canada did not believe my hon. friend.

Mr. W. T. WHITE They did.

Mr. GRAHAM: My hon. friend says that they did. Well, we have met a different class of business men. I have met independent business men whereas my hon. friend has met partisans. I met some men in close touch with business affairs, and none of them could see with the optimistic eye of the Minister of Finance. They did not believe, and I did not believe, that times were going to improve. I do not

charge the Government with bringing on hard times. I am leaving that point for the moment; but the Government with the knowledge that there were hard times, did not take any steps to meet what was coming on account of those hard times, had there been no war at all. I go further and say that, had there been no war at all, extra taxation would have had to be put on at this session of Parliament or else large borrowings indulged in. Had the revenue continued to fall off in 1914 as it had started to fall off before there was a war, there would have been a deficit on consolidated revenue account; but no provision was made by the Government to meet the exigencies of the case, and it went on spending money and increasing the expenditure on consolidated revenue fund from $127,000,000 to $140,000,000, and this year the Government is again asking for the latter amount. The Minister of Finance declares that, through this tariff, he can raise $120,000,000 for consolidated revenue account. We must bear in mind that a tax was put on in August, which the Minister of Finance estimated would bring in $7,000,000 for the balance of the year. That would mean about $11,000,000 for the fiscal year. If he had not put on that tax, we would have had a deficit of $17,000,000 this year, and in the coming year a deficit of $31,000,000 in current revenue account. This Government was remiss in its duty in not preparing for the rainy day when it saw the clouds approaching before the war broke out.

I now come to the point: Are these war taxes? War taxes have been described tonight, but I will make the short definition —taxes on account of the war—taxes that would not be necessary had there been no war. I say that a portion of those taxes would have been absolutely necessary had there been no war. Consequently, to that extent, they are not war taxes at all. The method of raising those taxes has been discussed, and I do not want to go into that question deeply. I was surprised at my hon. friend the Minister of Trade and Commerce arguing at length first to set up free trade and then to demolish it. He put up that straw-man, and then he knocked him down, and I think the Prime Minister did the same thing. The Minister of Trade and Commerce knows that free trade is not practicable in the Dominion of Canada at the present moment. He argued protection and free trade for a long time, ignoring, ridiculing the idea of direct taxation, forgetting all the time that part of the taxes for which he was going to vote were direct taxes. The stamp tax is a direct tax. Why should we raise these taxes? We have started out on the principle of raising a revenue by tariff. Had we started out with direct taxation or with some other method, perhaps it would have been as well or better for us; but under the circumstances, for many years to come we shall have to have a tariff in the Dominion of Canada. If that tariff is properly worked, it will be of a great benefit; it will produce a revenue, and incidentally give protection to the industries of Canada.

Now, we have heard about how our own industries were going to be ruined if the policy of the Opposition were carried into effect. The best answer to that is that during the fifteen years when the right hon. leader of the Opposition was Prime Minister in this country, our manufacturing stablishment grew, increased and multiplied both in wealth and numbers as they never did before. We must have a tariff. I had supposed until I had heard some of the speeches that this was a tariff for war that these were war taxes. But from some of the speeches of the hon. gentlemen of the Opposition, I have been driven to the conclusion that that is not the case at all, but that these are taxes not for the war only. The Minister of Trade and Commerce argued for thirty or forty minutes on the question of protection vs. free trade. The Prime Minister did the same thing. The hon. member for Calgary for a long time argued for protection against free trade, and lauded this new tariff. This would lead one to believe that this is not a temporary tariff, a tariff arranged to serve an emergency, but is intended as a permanent tariff. Why go to the trouble of showing that it is all right as a permanency if it is only intended to raise a war tax? I do not know as to these taxes, but this much must be borne in mind—and I think hon. gentlemen will see the force of what I say without it being necessary for the Solicitor General to ask me to get a law book out of the United States Congressional Library and read it—as long as the tariff is not too high it produces revenue but it may reach a point so high that it will defeat this very object. Now, there must be in all the range of articles affected by this increased tariff some—and such have been called to my attention by men who are interested—that are bearing now as high a rate of duty as they can bear. In such cases this duty of 7½ per

cent will not bring an increased revenue, but will cut off the revenue from these goods that we have had before. It strikes me as unbusinesslike to take the whole range of articles and simply add 7½ per cent, and think that in that way we are striking the happiest means of raising a revenue. I feel confident, from what I hear from men who are interested in a number of lines of goods, that in some instances we shall cut off revenue instead of increase it. I think the Minister of Finance would have done better had he investigated, if you like, and had selected the articles on which an increase of tax will bring in a revenue, and not run the risk of shutting out some goods altogether. If these were ordinary times, we might go into a discussion of protection, free trade or revenue tariff. But, as the avowed object is to raise a revenue and nothing else, let us aim at that object. These tariff changes are for war purposes and not for protection according to what we are told by the Government. Whatever the object, the result is going to be, I am afraid that many things will be shut out and that the revenue from these will be diminished instead of increased.

As to the war taxes, the Minister of Finance put it as a question in this way: Do you want us to stop sending soldiers to the front?—because if we do not get this vote we cannot send them. Now, is that correct? Surely it is not. I believe that if this House did not vote a cent of these increased taxes the soldiers would go to the front just the same. I am not arguing that; but I say that the way the Minister of Finance puts it is not a fair way in which to place it before the country. We are not opposing any votes for sending soldiers to the front or for maintaining them. But it might be just as well to intimate that perhaps the present generation should not be called upon to pay all the expenditure for soldiers going to the front. And they will not be so called upon to pay, because the Minister of Finance shows us that he is borrowing most of the money. We will join in giving the Government all the money they want for carrying on the war and for sending our boys to the front. Why, you could not prevent the Canadian boys going to the front; if you did not give them a dollar they would find some way to go. What I point out is that it is not quite fair to the Opposition to represent to the country that if this tax is not imposed our boys cannot go to the front. That is putting it altogether too strong, because in any case our troops will go to the war, and the Government is borrowing the money for this purpose altogether outside these taxes.

Now, going farther, let us take the stamp tax. Some details have been given me to bring to the attention of the Government, but it is too late at night for me to do that now. I do not approve of all the stamp taxes, though I believe that the principle is all right in this case. The Solicitor General spoke of pensions as though somebody were objecting to paying them. There is not a word in this amendment that can be construed into anything of that kind. Nobody objects to paying interest on the borrowed money, and God knows the people of the Dominion are doing their best publicly and privately to help on the great cause in which we are all interested. If we are borrowing money, we are ready to pay the interest; and we are ready also to provide pensions. That being so, surely it is not unreasonable that we should say to the minister that he ought to be careful about imposing further burdens in taxation for what, in a large part, is due to over-expenditure, and not the result of war at all.

I realize how late it is, but there are one or two other things I wish to say. (Our boys at the front are standing a good deal more in fighting for this cause than we are in discussing it.) It has been argued that times in Canada are very bad on account of the war. I would point out that the Prime Minister said that a hundred factories are providing munitions and supplies for Great Britain and the Allies. Had there been no war dozens of factories in Ontario of which I have personal knowledge would have been closed at this moment, I am not speaking at random. I might quote the hon. member for West Toronto (Sir Edmund Osler) a good authority on finance, who, if correctly reported, said recently that he was not of the class who blamed the hard times on the war. Let me point out further that the farmers of Canada have been helped out by the war. Crops were not so good in some parts of Canada as we could have desired; and though, heaven knows, we all deplore the circumstances which affect the markets to-day, the fact remains that the farmers of Canada are better off than if there had been no war. And, as I have said, many industries are engaged in turning out munitions of war and supplies that would have been idle or running on short time had there been no war,and I hope they will be able to help the cause of the Allies and that there will be no lack of munitions for the war; Canada in this way also is doing her share. While we deplore the war, we realize that in

many instances we are better off than if the war had not been.

Now, a word on the British preference. I will not argue that at length; but I would like to point out to hon. gentlemen opposite how history is repeating itself. One of the hon. gentlemen, I think it was the Minister of Finance again, pointed out that manufactories in Canada would be closed if we allowed these goods to come in from Great Britain without paying a duty when we raised the tariff against other countries. So does history repeat itself. At one time the then leader of the great Conservative party believed the same thing. When hon. W. S. Fielding, the Minister of Finance, introduced an Act providing for a preference upon British goods, he was met with identically the same arguments as those with which we are met to-day. This is what Sir Charles Tupper—grand old man that he is—I hope that he may live many years to enjoy life—said in 1897, as found upon page 1291 of Hansard of that year:

> Now, what is the result? The result is that this tariff goes into operation, and the hon. gentleman knows that the industries of this country are already paralyzed in consequence. While members gloat, vindictively gloat, over the destruction of Canadian industries, I was reading the wail, the sorrowful wail, of those industries in the Montreal Gazette where one manufacturer after another declared that their industries were ruined, that their mills must close, and that they saw staring them in the face a return to the deplorable state of things that existed when the hon. gentleman who last addressed the House was in charge of the fiscal policy of this country. I say that a greater wrong was never inflicted upon Canada. It would have been bad enough if the hon. gentlemen had gone to the country with a frank avowal that they were in favour of what they had declared to be their policy for long years previously; it would have been bad enough if they had been able to get a majority pledged to sweep away these industries and to destroy the policy that had achieved so much for Canada; but to obtain power by the solemn declaration made publicly and privately all over the country that no harm would come to the manufacturing industries, that not a hair of their heads should be touched, that, in fact, their rights would be protected and their position would be improved, because they were going to have their raw material free, coal was to be made free—I say that under these circumstances I can understand how indignant the people of this country will feel at the outrage that has been inflicted upon them not by a fair, open and manly declaration of policy, but by false pretenses, under the guise of solemn declarations that no harm would be done to the industries of this country. Now the country is in this position, that because the Finance Minister has stupidly made a proposition that is utterly impracticable and a violation of imperial treaties and which will cause the whole revenue Bill to become nullity, the whole recourse the Government have now is to adopt a scond measure, to apply this clause to Belgium and Germany, and all other countries having similar treaties with England. Well, I can only say that if the policy were good in itself, the mode in which it has been accomplished is calculated to condemn it. Still, I unhesitatingly say that from a party point of view the hon. gentlemen are doing our work; they are showing the people of this country that no reliance can be placed upon the most solemn declarations that they make, either in the House or out of it; they are showing the people of this country that having power, which was all they wished for, they are now prepared to abuse that power at the cost of the sacrifice of the industries of Canada.

That is just what we heard yesterday.

Mr. W. T. WHITE: That is just what we heard from the hon. member for Pictou to-night.

Mr. GRAHAM: I think my hon. friend has an inverse ratio in his mind. That is what we heard in 1897. What was the result? As I have said, the result was the introduction of that tariff—call it what you like—which included the British preference and which marked the dawn of the era of prosperity for Canadian industries.

Hon. gentlemen have argued that the preference is being maintained. In other words, they are giving Great Britain only one black eye when they could have given her two black eyes. The fact remains that to the extent of five per cent it will be more difficult to do business with Great Britain after this proposed legislation becomes law than it was before. Let me put it this way to the minister. Great Britain is lending us $150,000,000, the interest on which at 4½ per cent is $6,750,000. We import from the Motherland about $133,000,000 worth of goods yearly, the duties on which at 5 per cent would amount to $6,650,000. There is therefore, but a slight difference between the interest we are going to pay the Motherland on the money we are getting from her and the height of the barrier which we are placing against British trade. That is, we say to the Motherland: we want your money and we will pretend to pay your interest, but we will put up a barrier against your trade which will enable us to get the money back from you. At a time when we have as our Allies the great nations of the world—Great Britain is not our ally; Great Britain is ourselves—is it a time to take such a course as this? The world is largely controlled by sentiment. Is it a time for the Dominion of Canada, whose men are fighting side by side with the sons of the Mother Country, to put up trade barriers against Great Britain, who is supplying us with

money? The Minister of Finance himself told us that we could not get our money except by the consent of the British Government. At a time when our sons are fighting side by side with Tommy Atkins in the trenches, is that a time for the daughter to put up a trade barrier against the great mother of the household? Even if my hon. friend were right—and I do not admit for a moment that he is—are the interests of Canada which might be served by these proposals paramount to the great object lesson that would be given to the world at the present time, if, while compelled to raise taxation against the goods coming from other countries, we should not increase the taxation against Britain, who is bearing so large a part of the burden of the world's war at the present time? The Finance Minister ought to see to it—and this is the gist of the amendment of my right hon. leader—that the tariff against Great Britain be not raised at the present time. I have not consulted with my leader, but I think I am safe in making the proposition that if the Finance Minister will agree not to raise this barrier against trade with Great Britain at the present time, we will withdraw the amendment. This would get rid of the bogey raised by the Prime Minister to-day with regard to want of confidence in the Government.

There is no difference between us at all as to the necessities of providing for the war. There is no difference between hon. gentlemen on this side and hon. gentlemen on the other side of the House in the desire to stand shoulder to shoulder with the Motherland in this great conflict.

We have beside us some of the greatest nations of the world, and with them we join not as Tories, not as Grits, but as the people of the Dominion of Canada, a part and parcel of the great British Empire; we join with these Allies not to stop, not to hesitate, not to falter, either with men or with money, until triumph perches on the banner of the Allies and the world is granted that peace, that liberty of action and that liberty of conscience for which British institutions and British Government have always stood.

The House divided on the proposed amendment of Sir Wilfrid Laurier:

That Mr. Speaker do not now leave the Chair, but that it be resolved:

That this House is ready to provide for the exigencies of the present situation, and to vote all necessary ways and means to that end, but it regrets that in the measure under consideration duties are imposed which must be oppressive upon the people, whilst yielding little or no revenue; and that the said measure is particularly objectionable in the fact that instead of favouring, it is placing extra barriers against Great Britain's trade with Canada, at a moment when the Mother Country is under a war strain unparalleled in history.

YEAS:

Messieurs

Bickerdike,	Laurier (Sir Wilfrid),
Boivin,	Law,
Bourassa,	Macdonald,
Boyer,	Maclean (Halifax),
Brouillard,	MacNutt,
Buchanan,	McKenzie,
Bureau,	Marcile (Bagot),
Cardin,	Martin (Montreal,
Carroll,	Ste. Mary's),
Cash,	Martin (Regina),
Champagne,	Michaud,
Chisholm (Antigonish),	Molloy
Clark (Red Deer)	Murphy,
Copp,	Nesbitt,
Cruise,	Neely,
Delisle,	Pacaud,
Demers,	Papineau,
Devlin,	Proulx,
Ethier,	Pugsley,
Gauthier (St.	Reid (Restigouche),
Hyacinthe),	Robb,
Gauvreau,	Ross,
German,	Seguin,
Graham,	Sinclair,
Hughes (Kings, P.E.I.)	Thomson (Qu'Apelle),
Kyte,	Tobin,
Lafortune,	Truax,
Lanctot,	Turgeon,
Lapointe	Verville,
(Kamouraska),	Warnock,
Lapointe (Montreal,	White (Victoria, Alta.),
St. James),	—59.

NAYS:

Messieurs

Achim,	L'Espérance,
Ames,	Lewis,
Armstrong (Lambton),	Macdonell,
Armstrong (York O.),	Maclean (York, O.),
Arthurs,	McCurdy,
Ball,	McLean
Barrette,	(Queens, P.E.I.),
Bellemare,	Marshall,
Bennett (Calgary),	Meighen,
Bennett (Simcoe),	Merner,
Best,	Middlebro,
Blain,	Mondou,
Blondin,	Morphy,
Borden (Sir Robert),	Morrison,
Boulay,	Munson,
Bowman,	Nicholson,
Boyce,	Nickle,
Boys,	Northrup,
Brabazon,	Osler (Sir Edmund),
Bradbury,	Paquet,
Broder,	Paul,
Burnham,	Rainville,
Clark (Bruce),	Reid (Grenville),
Clarke (Wellington),	Rhodes,
Cochrane,	Robidoux,
Coderre,	Roche,
Cromwell,	Rochon,
Davidson,	Rogers,
Descarries,	Schaffner,
Doherty,	Scott,
Donaldson,	Sevigny,

Edwards,	Sexsmith,
Elliot,	Sharpe (Lisgar),
Fisher,	Sharpe (Ontario),
Forget (Sir Rodolphe),	Shepherd,
Foster (Kings, N.S.),	Smith,
Fripp,	Smyth,
Garland,	Steele,
Gauthier (Gaspé),	Stevens,
Girard,	Stewart (Hamilton),
Glass,	Stewart (Lunenburg),
Gray,	Taylor,
Green,	Thompson (Yukon),
Guilbault,	Thornton,
Hanna,	Walker,
Hartt,	Wallace,
Hazen,	Webster,
Henderson,	Weichel,
Hepburn,	White (Leeds),
Hughes (Victoria, O.),	White (Renfrew),
Jameson,	Wilcox,
Kemp,	Wright—104.
Lavallée,	

PAIRS:

Ministerial.	Opposition .
Foster (N. Toronto),	Marcil (Bonaventure),
McLeod,	Carvell,
Burrell,	Douglas,
Casgrain,	Lemieux,
Baker,	Kay,
Fowler,	McLean (Queens-Sunbury),
Chabot,	Beland,
Stanfield,	Pardee,
Perley,	Oliver,
Currie,	Power,
Barker,	Lovell,
Sutherland,	Lachance,
Carrick,	Clarke (Essex),
Thoburn,	McCrea,
Barnard,	McCraney,
Cockshutt,	Charlton,
Clements,	Knowles,
Lancaster,	Guthrie,
Aikins,	Turiff,
Alguire,	McMillan,
Bristol,	Gordon,
Tremain,	Chisholm (Inverness),
Wilson (Wentworth),	Wilson (Laval),
Crothers,	McCoig,
Morris,	Fortier,
Porter,	Loggie,

Mr. CARVELL: I was paired with the hon. member for York, N.B. (Mr. McLeod). Had I voted, I should have voted for the amendment.

Mr. DOUGLAS: I was paired with the hon. member for Yale-Cariboo (Mr. Burrell). Had I voted, I should have voted for the amendment.

Mr. McCOIG: I was paired with the hon. member for West Elgin (Mr. Crothers). Had I voted, I should have voted for the amendment.

Mr. G. C. WILSON: I was paired with the hon. member for Laval (Mr. C. A. Wilson). Had I voted, I should have voted against the amendment.

[Sir Wilfrid Laurier.]

Mr. PARDEE: I was paired with the hon. member for Colchester (Mr. Stanfield). Had I voted, I should have voted for the amendment.

Mr. KAY: I was paired with the hon. member for Brome (Mr. Baker). Had I voted, I should have voted for the amendment.

Mr. McMILLAN: I was paired with the hon. member for Stormont (Mr. Alguire). Had I voted, I should have voted for the amendment.

Amendment negatived.

Main motion (Hon. W. T. White) agreed to, and the House went into Committee of Ways and Means.

Progress reported.

Sir ROBERT BORDEN: We will go on with the resolutions to-morrow.

On motion of Sir Robert Borden, the House adjourned at 3.29 a.m. Wednesday.

Wednesday, March 17, 1915.

The House met at Three o'clock, the Speaker in the Chair.

PRIVATE BILLS INTRODUCED.

Bill No. 72, for the relief of William Ewart New.—Mr. R. B. Bennett.

Bill No. 73, for the relief of Helene Suzette Baxter Douglas.—Mr. Fripp.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

WAR APPROPRIATION ACT EXPENDITURES.

*Sir WILFRID LAURIER:

1. Referring to the War Appropriation Act, passed at the special session of Parliament in August, 1914, which provides for the defraying of expenses as follows:

(a) The defence and security of Canada;

(b) The conduct of naval or military operations in or beyond Canada;

(c) Promoting the continuance of trade, industry and business communications whether by means of insurance or indemnity against war risk or otherwise; and

(d) The carrying out of any measures deemed necessary or advisable by the Governor in Council in consequence of the existence of a state of war;

2. Has the Government deemed it necessary or advisable to spend any portion of this war appropriation for other purposes than outlined in the first three paragraphs above quoted?

3. If so, what extra expenditures have been or are being proposed to pay out of this appropriation?

Mr. CODERRE:

External Affairs:

2. Yes.

3. $3,000 was allotted to this department to pay extra expenses caused by the war; about $1,000 has been expended.

Finance:

1, 2 and 3. The only amounts paid by the Department of Finance, chargeable to the War Appropriation Act, 1914, are as follows: Contribution in aid of the Belgian Relief Fund, as per Order in Council No. 2544, of date October 10, 1914, $50,000. Contribution in aid of Hospice Canadien, as per Order in Council No. 2543, of date October 10, 1914, £20,000, $97,333.33. These payments are covered by section (d) of the question.

Governor General's Secretary:

2. Yes.

3. $8,000 to the office of the Governor General's Secretary to defray extra expenses directly caused by the war, such as extra clerical help, telegrams, postage, etc.

Privy Council:

1. Yes.

2. $15,000 placed at disposal of Privy Council Office to defray various expenses necessitated by the war.

Expended: Telegrams, press despatches, etc., $8,459.51; clerical assistance and printing, $2,394.86; total, $10,854.37. Details of expenditure: Telegrams, $8,330.81; printing, $1,594.88; press despatches, $60; travelling expenses, $6.60; despatch agency, $62.10; clerical assistance, $799.98.

Secretary of State:

2. Yes.

3. Expenditure already made, $7,978.18, as follows: Printing of "Documents relating to the European War," etc., for distribution, $6,892.90; express and freight charges, on distribution of same, $84.86; printing of war measures in Great Britain, Orders in Council, and Acts passed in session of August, 1914, 12th Parliament of Canada, $133.30; printing proclamation, etc., respecting the Sunday of Prayer, $5.95; binding war maps and printing in connection with the same, $35.29; printing for French National Relief Committee, $405.04; printing report for Belgian Relief Commission, $43.60; printing for Belgian Relief Committee, $34.18; printing for Red Cross Society, $28.53; temporary clerical assistance, $138.42; copies of "An Act to incorporate the Canadian Patriotic Fund, $10; purchase of 5,000 copies of French Government diplomatic correspondence respecting the war, $90; freight charges on same, $51.99; postage on distribution of same, $24.12.

Railways and Canals:

2 and 3. Transportation charges in connection with the carrying of goods to the Belgian Relief Committee on Government railways, $50,107.27; transportation charges in connection with carrying goods for Red Cross Society on Government railways, $70.51.

Trade and Commerce: The sum of $3,005,540.56 was expended for Canada's gift of one million bags of flour to the British Government, as follows: Western Canada Flour Mills, Limited, $350,000; Dominion Flour Mills, Limited, $56,000; Lake of the Woods Milling Co., Limited, $280,000; Maple Leaf Milling Co., Limited, $1,164,842; St. Lawrence Flour Mills Co., Limited, $112,000; Ogilvie Flour Mills, Limited, $840,000; ocean freight and insurance, $201,828.71; rent of harbour shed, $825; printing bills of lading, checking, etc., $44.85.

N. T. RY.—EMPLOYEES AT CERTAIN STATIONS.

Mr. E. LAPOINTE:

1. What are the names of all persons employed by the National Transcontinental railway at the following stations: Escourt, St. Eleuthère, Pelletier, Picard, Lapointe, Lippée, Hawkins and Holliday?

2. What is the salary of each of such persons?

3. What is the nature of their respective duties?

4. Who recommended the said persons?

Mr. COCHRANE:

Name.	Rate of Pay.	Position.	Recommended by.
Escourt—			
William Dumont. ..	$60 00 per month.. ..	Section foreman	Dr. Lebel.
Ovide Bérubé	1 75 per day..	Trackman..	W. A. Potvin.
Jos. Michaud	1 75 "	"	Not recommended.
Romuald Nadeau ..	1 75 "	"	W. A. Potvin.
St. Eleuthère—			
Joseph H. Dionne..	10 00 per month.. ..	Caretaker..	W. A. Potvin.
Pelletier—			
Joseph Dumond.. ..	$60 00 per month.. ..	Section foreman	W. A. Potvin.
Caliste Bouchard. ..	1 75 per day..	Trackman..	"
Safroid Dumond. ..	1 75 "	"	"
Picard—			
No. employees.			
Lapointe—			
Arthur Dion..	$60 00 per month.. ..	Section foreman	W. A. Potvin.
J. E. Blondeau.. ..	1 75 per day..	Trackman..	"
Luc LeBruln..	1 75 "	"	"
Lippée—			
Roméo Bard..	$60 00 per month.. ..	Section foreman	W. A. Potvin.
J. B. St. Onge.. ..	1 75 per day..	Trackman..	"
Ovide Jean..	1 75 "	"	"
Hawkins—			
Hormisdas Dionne. .	10 00 per month.. ..	*Caretaker..	W. A. Potvin.
Holliday—			
Frank Boyd..	$60 00 per month.. ..	Section foreman	Dr. Paquet.
Michel Lemieux.. ..	1 75 per day..	Trackman..	Not recommended.
Napoléon Grondin.. .	1 75 "	"	" "

2, 3 and 4. Answered by No. 1.

APPOINTMENT OF PACKERS AND SORTERS.

Mr. CARVELL:

1. How many appointments have been made to the Civil Service as packers and sorters subsequent to October 12, 1912?

2. What proportion of these were males and what proportion females?

3. How many appointments have been made to the Civil Service as packers and sorters prior to October 12, 1912?

4. What proportion of these were males and what proportion females?

Mr. J. D. REID: I wish to move that this question be changed to an order for a return. It will take some time to have the information brought down, for the reason that question No. 3 as it reads will go back to Confederation. I do not think that was the intention. I think the hon. gentleman should name a period from, say, 1896 to 1912. However, if he wishes to go further back we will get the information, but it will take some time.

Question stands as order for a return.

CHARGE OF CORRUPTION.

Mr. PAPINEAU:

1. Is the Government aware of the publication of a letter from Mr. Henri Bourassa, director of Le Devoir newspaper, in the issue of

that paper of the 31st December, 1914, and containing the following declaration:

"Reply of the Director of the Devoir.

"You have no faint idea of the amount and nature of graft, corruption and debauchery connected with that contingent, destined to go and fight the battles of honour and liberty. Had we published one-twentieth portion of what came to us from most reliable sources of information, we could have been hanged and quartered many days ago. Whether this will ever come out in full light is doubtful. The Tory grafters were careful enough to take some of their Liberal opponents in partnership, so that nothing would transpire in Parliament"?

2. Has the Government considered it necessary to take steps to ascertain the exactness of this declaration?

3. If it has had no knowledge of it before this question was asked, does the Government consider the declarations made in the above quoted letter sufficiently grave to engage its attention?

Sir ROBERT BORDEN:

1. No.

2 and 3. Wherever allegations or charges of a definite character have been brought to the attention of the Prime Minister, he has instructed the Department of Justice to make any necessary investigation, and for that purpose to utilize all means at the disposal of the Government. The Department of Justice has been further authorized and directed in such cases to prosecute to the utmost limit of the law all persons who appear upon reasonable information to have been concerned in an attempt to defraud

the Government. If any information of a sufficiently definite character is brought to the attention of the Government by the gentleman mentioned, the same course will be pursued.

WAR SUPPLIES—AUTOMOBILE TIRES.

Mr. TURRIFF:

1. How many sets of tires were purchased by the Militia Department from the Dunlop Tire Company for the first contingent?
2. What price per set was paid?
3. How many sets were purchased from the same company for the second contingent?
4. What price per set was paid for those supplied to the second contingent?

Major General HUGHES:

1 and 2. None.

3 and 4. 120 sets of 38 inch x 5 inch single front and dual rear solid demountable truck tires, complete, with Society of Automobile Engineers steel rims, at $247 per set; 60 sets of 36 inch x 5 inch single front and single rear, solid demountable truck tires, complete, with Society of Automobile Engineers steel rims, at $169.24 per set.

WHARF AT L'ASSOMPTION, QUE.

Mr. SEGUIN:

1. Has the Government completely abandoned the project of building a wharf for the town of l'Assomption?
2. Is the Government aware that the non-execution of that project is said to be the cause of considerable damage for that locality and for all the neighbourhood?
3. Is the Government aware that a considerable quantity of wood, intended for that construction, paid for by the Department of Public Works, is left on the ground and is becoming deteriorated and will soon be a total loss for the department?

Mr. ROGERS:

1. No.
2. No.
3. The Government is aware that some timber was purchased in September, 1911.

ARMOURY AT PICTOU ONTARIO.

Mr. PROULX:

1. Who was employed by the Government as clerk of works in the construction of the armoury at the town of Picton, county of Prince Edward, in 1913 and 1914?
2. (a) What salary was paid to the clerk of works by the Government, and (b) is he still in the pay of the Government? (c) If so, at what salary and for what purpose?

Major General HUGHES:

1. R. G. K. Hepburn.
2. (a) $4 per working day. (b) No. (c) Answered by (b).

GEORGIAN BAY CANAL COMMISSION.

Mr. PROULX:

1. Who has been appointed by the Government as secretary of the Georgian Bay Canal Commission?
2. (a) When was such secretary appointed, and (b) what is his salary?

Mr. ROGERS:

1. J. de C. Hepburn.
2. (a) Appointed on 1st April, 1914; (b) salary authorized by Order in Council of 24th February, 1914, is $300 a month.

WAR SUPPLIES—J. WESLEY ALLISON.

Mr. DEMERS:

1. Was J. Wesley Allison at any time authorized to purchase war supplies of any kind on behalf of the Dominion of Canada?
2. If so, on what conditions?
3. Is he still so authorized?

Major General HUGHES:

1. All contracts were made directly by the Department of Militia and Defence. Mr. Allison was asked to procure and did procure information for the department as to sources from which war supplies could be purchased and as to the prices at which they could be procured. For this purpose he secured and placed at the disposal of the department valuable information.

2. There were no special conditions. The minister asked Mr. Allison to procure the information as speedily and quietly as possible, as there was an apprehension that exportation to Canada of war supplies might be prohibited. Mr. Allison was offered remuneration for his services, but declined to accept either remuneration or payment of his expenses.

3. Authority to purchase war supplies is conferred only by Order in Council under the War Appropriation Act, 1914. No authority, special or general, has been conferred upon any person other than the permanent officers of the Department of Militia and Defence. When the Minister of Militia deems it necessary, he obtains information as to sources from which war supplies can be procured and as to the prices thereof from any persons, including Mr. Allison, whom he may deem competent to give such information.

WAR SUPPLIES—MOTOR TRUCKS.

Mr. PARDEE:

1. (a) Were the bodies for the 150 motor trucks recently purchased by the Militia Department from the Kelly Springfield Motor Truck Company of Springfield, Ohio, made in Canada? (b) If so, by whom and at what price?
2. Is it true that these bodies do not fit the trucks and that new bodies or extensive alterations will have to be made? If so, what is the estimated cost of making the necessary alterations or new bodies?
3. (a) Is it true that the wheels of the trucks delivered to the department were not bored to equip the tires thereto, and that the work of boring the wheels is now being done in Canada

at an additional expense? If so, what additional expense will be involved?

Major General HUGHES:

1. (a) Yes. 144 bodies were ordered on December 16, while minister was absent in maritime provinces; balance of 6 are to be fitted with workshop bodies. (b) Massey Harris Co. Ltd., Toronto, 36 at $168; McLaughlin Carriage Co., Oshawa, 36 at $168; Oxford Motor Co., Oshawa, 36 at $168.

2. The bodies ordered and made did not fit the trucks, they being for a two ton truck instead of for a three ton truck. New three ton bodies are being made according to War Office regulations, which provide seating capacity for four men with adequate weather protection, with rifle racks, with box for men's equipment, etc., all made to one specification, costing one hundred and fifty dollars ($150) each. The two ton bodies, however, are being sold at what they cost, so there will be no loss.

3. (a) Yes. (b) The work is now being done in Canada at a cost of one dollar per tire.

WAR SUPPLIES— HORSES.

Mr. TOBIN:

1. Were Colonel Smart and Colonel Piché authorized by the Government to purchase horses in the province of Quebec?

2. If so, how many did they purchase?

3. Are they still in the employ of the Government in such capacity?

4. If not, on whose recommendation and why were their services dispensed with?

Major General HUGHES:

1. Yes.

2. 659 horses.

3 and 4. The number of horses which they were engaged to purchase has been supplied, and their services were not further required. Colonel Smart has since been appointed Brigadier General, and is unable to perform further duties of this character. Colonel Piche is acting principal veterinary officer of Montreal division on active service.

Mr. BUCHANAN:

1. Have the Prime Minister and the Minister of Militia received a memorial from the United Farmers of Alberta, regarding the purchase of horses for war purposes?

2. Is it intended to take any action on the suggestions made in the memorial?

3. If so, in what respects?

Sir ROBERT BORDEN:

1. The Prime Minister and the Minister of Militia have received the memorial alluded to.

2. The Minister of Militia has informed the Prime Minister that in general terms he agrees with everything set forth in the memorial and that he has so written to Mr. Woodbridge, the secretary of the United Farmers of Alberta. In respect of purchase of horses certain arrangements of a confidential character heretofore made by the British and French Governments have to be taken into consideration.

3. The Minister of Militia agrees in general respects with the memorial and is prepared to carry out the suggestions in all important respects. As to certain minor details some modifications of the suggestions might be required. The suggestions contained in the memorial are regarded as helpful and the Minister of Militia has expressed his thanks and appreciation to the secretary of the United Farmers of Alberta.

COMMISSION ON TECHNICAL EDUCATION.

Mr. WEBSTER:

1. What were the fees per day for each of the members of the Royal Commission on Industrial Training and Technical Education?

2. What was the total amount of fees received by each member of the commission?

3. What was the total expense of each member of the commission?

Mr. CROTHERS:

1. Members of commission, $16 per day and travelling expenses; secretary, $10 per day and living and travelling expenses.*

2. Total fees: Dr. J. W. Robertson, $14,688; Rev. Geo. Bryce, $7,312; Hon. J. N. Armstrong, $6,208; D. Forsyth, $7,712; James Simpson, $7,456; G. M. Murray, $3,120; G. de Serres, $1,360; E. Belanger, $3,952; Thos. Bengough, secretary, $12,-614.51.

3.	Fees.	Expenses,	Total.
Dr. J. W. Robertson	$14,688 00	$2,531 04	$17,219 04
Rev. Geo. Bryce	7,312 00	1,593 21	8,905 21
Hon. J. N. Armstrong	6,208, 00	1,122 33	7,330 33
D. Forsyth	7,712,00	1,329 68	9,041 68
James Simpson	7,456 00	1,284 23	8,740 23
G. M. Murray	3,120 00	1,152 96	4,272 96
G. de Serres	1,360 00	255 47	1,615 47
E. Belanger	3,952 00	1,060 25	5,012 25
Thos. Bengough, secretary	12,614 51	4,403 36	17,017 87

* In addition, the secretary received an additional allowance of $5 per day for reporting evidence given before the commission.

INTERCOLONIAL RAILWAY—COAL SUPPLY.

Mr. MACDONALD:

1. From what companies was coal purchased for the Intercolonial Railway Company since March 1, 1914?
2. How many tons were purchased from each of said companies?
3. When are tenders to be called for the coal supply for the Intercolonial railway for the coming year?

Mr. COCHRANE:

1 and 2. Bituminous coal: Colonial Coal Co., 32,745 gross tons; Cape Breton Coal, Iron and Railway Co., 19,913 gross tons; Inverness Railway and Coal Co., 32,142 gross tons; Acadia Coal Co., 59,143 gross tons; Intercolonial Coal Mining Co., Ltd., 69,137 gross tons; Elwin Long, 652 gross tons; Dominion Coal Co., 179,858 gross tons; Nova Scotia Steel and Coal Co., 81,551 gross tons; Maritime Coal, Railway and Power Co., 89,689 gross tons; Minudie Coal Co., 45,618 gross tons; Rothwell Coal Co., 4,348 gross tons; G. H. King, 3,744 gross tons; Northfield Coal Co., 3,100 gross tons; Minto Coal Co., 810 gross tons; Harvey Welton, 278 gross tons; Dr. M. F. Keith, 4,166 gross tons; Grand Trunk Railway, 13,915 net tons. Anthracite coal: J. S. Gibbon & Co., 665.40 net tons; The Archer Co., Ltd., 34.85 net tons.

3. Not yet determined.

REGISTRARS OF ALIEN ENEMIES IN SOUTH CAPE BRETON.

Mr. CARROLL:

1. Who are the registrars of alien enemies for the riding of South Cape Breton, N.S.?
2. What is the salary paid to each?
3. What assistants have they got, and what are their names and salaries?
4. What are the names of the interpreters in connection with the work, and what are their salaries?

Mr. CASGRAIN (for Mr. Doherty):

1. H. C. Moseley.
2. $200 per month.
3. D. Nicholson, $100 per month; A. D. Gillis, $100 per month; B. Morrison, $30 per month.
4. H. Benjamin, $75 per month.

IMMIGRATION FROM 1900 to 1914.

Mr. W. M. MARTIN:

1. How many immigrants located in Canada in each of the years from 1900 to 1914, inclusive?
2. How many of such immigrants located in each of the provinces of Canada in each of said years?

Mr. ROCHE: 1 and 2:

Fiscal Period.	Maritime Provinces.	Quebec.	Ontario.	Manitoba.
1900 (first 6 months)	719	2,881	2,243	10,268
1900-1901	2,144	10,216	6,208	11,254
1901-1902	2,312	8,817	9,798	17,422
1902-1903	5,821	17,040	14,854	39,535
1903-1904	5,448	20,222	21,266	34,911
1904-1905	4,128	23,666	35,811	35,387
1905-1906	6,381	25,212	52,746	35,648
1906-1907 (9 months)	6,510	18,319	32,654	20,273
1907-1908	10,360	44,157	75,133	39,789
1908-1909	6,517	19,733	29,265	19,702
1909-1910	10,644	28,524	46,129	21,049
1910-1911	13,236	42,914	80,035	34,653
1911-1912	15,973	50,602	100,227	43,477
1912-1913	19,806	64,835	122,798	43,813
1913-1914	16,730	80,368	123,792	41,640
1914-1915 (10 months)	10,206	29,718	42,759	12,681

Fiscal Period.	Saskatchewan.	Alberta.	British Columbia.	Not shown:	Total Immigration to Canada.
1900 (first 6 months)	6,177		1,338	268	23,895
1900-1901	14,160		2,600	2,567	49,149
1901-1902	22,199		3,483	3,348	67,379
1902-1903	43,898		5,378	1,838	128,364
1903-1904	40,397		6,994	1,093	130,331
1904-1905	39,289		6,008	1,977	146,266
1905-1906	28,728	26,177	12,406	1,766	189,064
1906-1907 (9 months)	15,307	17,559	13,650	395	124,667
1907-1908	30,590	31,477	30,768	195	262,469
1908-1909	22,146	27,651	21,862	32	146,908
1909-1910	29,218	42,509	30,721		208,794
1910-1911	40,763	44,782	54,701		311,084
1911-1912	46,158	45,957	51,843		354,237
1912-1913	45,147	48,073	57,960		402,432
1913-1914	40,999	43,741	37,608		384,878
1914-1915 (10 months)	14,835	16,930	9,661		136,790

HUDSON BAY RAILWAY.

Mr. W. M. MARTIN:

1. What will be the total mileage of the Hudson Bay railway when completed?
2. How many miles of the railway have been graded?
3. How many miles of steel have been laid?
4. What is the total cost to date?
5. What is the total estimated cost of the completed railway?
6. What is the estimated cost of the proposed harbour improvements?
7. How much has been spent on harbour improvements to date?

Mr. COCHRANE:

1. 424 miles.
2. First 250 miles nearly completed, following 50 miles well advanced.
3. 214 miles.
4. $7,647,197.41.
5. $16,000,000.
6. $10,000,000, less possible credits of $1,000,000 for steamships, plant, etc.
7. $3,480,277.08; includes plant, steamships, wireless stations, etc.

LEASEHOLDERS OF COAL RIGHTS.

Mr. MACNUTT:

1. Who are the owners or leaseholders of the coal rights in sections 6, 7, 18, 19, 30, 31, township 10, range 4, west of the 5th meridian; also sections 6, 7, 18, 19, 30 and 31, township 11, range 4, west of the 5th meridian?
2. On what date did the present owners secure their rights?
3. What payments have been made in connection with each half section?
4. What amounts are due in connection with each half section?

Mr. ROCHE:

1. Townships 10 and 11, range 4, west of the 5th meridian, would not appear to have been subdivided into sections, so that it is not possible to give the information asked for in respect of each half section, but the following coal mining locations which appear to include sections 6, 7, 18, 19, 30 and 31, in township 10, range 4, and sections 6, 7, 18, 19, 30 and 31, township 11, range 4, west of the 5th meridian, in whole or in part, have been duly staked out and coal mining leases issued therefor:

Lease No. 332; lessee, Thomas Thomson. Approximate description: Sections 30 and 31, township 10, range 4, and sections 6 and 7, township 11, range 4, west of the 5th meridian.

Lease No. 333; leasee, W. T. Eddy. Approximate description: Sections 6, 7, 18 and 19, township 10, range 4, west of the 5th meridian.

Lease No. 510; leasee, Walter Gardner. Approximate description: West halves of sections 18, 19, 30 and 31, township 11, range 4, and the east halves of sections 13, 24, 25 and 36, township 11, range 5, west of the 5th meridian.

2. Lease 332, issued 24th June, 1910; lease 333, issued 24th June, 1910; lease 510, issued 8th May, 1911.

3. The following rentals have been paid in connection with the above leases: Lease 332, rental paid, $5,120; lease 333, rental paid, $5,120; lease 510, rental paid, $2,560.

4. Amounts due for rental are: Lease 332, $7,680; lease 333, $7,680; lease 510, $7,680; with interest at the rate of five per cent per annum on the unpaid rentals from the due date to the date of payment.

BRIDGE OVER RESTIGOUCHE RIVER.

Mr. MARCIL:

1. Has a request been received for the construction of a vehicular and foot-passenger bridge over the Restigouche river at Campbellton, N.B., and from whom?
2. Has any action been taken? If so, what has been done?

Mr. ROGERS:

1. Yes, petitions were received from: the Board of Trade, Campellton, Restigouche

county; municipality of Campbellton, Restigouche county; municipality of Mann, Bonaventure county; municipality of New Carlisle, Bonaventure county; municipality of Hamilton, Bonaventure county; municipality of Port Daniel West, Bonaventure county; municipality of Nouvelle and Shoolbred (southwest part), Bonaventure county; municipality of Maria, Bonaventure county; municipality of New Richmond, Bonaventure county; municipality of Matapedia, Bonaventure county; municipality of St. Andrè de Restigouche, Bonaventure county; municipality of Hamilton, Bonaventure county; municipality of Restigouche East, Bonaventure county; municipality of St. Jean l'Evangeliste, Bonaventure county; municipality of St. Omer, Bonaventure county; municipality of Restigouche East, Bonaventure county; municipality of Pas pebiac, Bonaventure county; municipality of New Richmond, Bonaventure county; municipality of Port Daniel East, Bonaventure county; municipality of Musselyville, Bonaventure county; municipality of Hope, Bonaventure county; municipality of Maria, Bonaventure county; municipality of Campbellton, Restigouche county, N.B.; municipality of the parish of Durham, Restigouche county; municipality of the parish of Addington, Restigouche county; municipality of the parish of Durham, Restigouche county; municipality of the parish of Balmoral, Restigouche county; municipality of the parish of Coleborne, Restigouche county; municipality of Dalhousie, Restigouche county, N.B.; municipality of the parish of Dalhousie, Restigouche county.

2. The District Engineer has been ordered to make a complete survey and report.

22ND FRENCH CANADIAN BATTALION.

Mr. MARCIL:

1. Has the Fench Canadian regiment stationed at St. Johns, Quebec, been transferred lately, and where is it now stationed?
2. What was the purpose of such a change, and what advantage is there in the new location over St. Johns, Quebec?
3. What is the numerical strength of this corps, and who are its chief officers?
4. Is this corps now up to its full strength?
5. Who are the chief medical officers selected for this corps?
6. Has the entire medical staff been selected, and what is its total?

Major General HUGHES:

1. Yes. The 22nd (French Canadian) Battalion stationed at St. Jean, P.Q., was transferred, on the 12th March, from St. Jean to Amherst, N.S., where it is now stationed.

2. The accommodation at St. Jean Barracks was inadequate to house a full regiment of infantry, and, at the request of Colonel Gaudet, the Officer Commanding the regiment, the regiment was transferred to Amherst, N.S.

It is the intention to replace the 22nd Regiment at St. Jean, P.Q., by a smaller unit of artillery.

3. The 22nd Battalion left St. Jean, P.Q., with a total strength of 36 officers and 1,026 other ranks. The chief officers are as follows: Lt.-Colonel F. M. Gaudet, R.L.; Majors, two; Adjutant, Captain L. J. D. Gingras, 61st Regiment; Officers Commanding Companies, four—Major C. T. deLanaudière, 83rd Regiment; Major J. A. Filiatrault, 65th Regiment; Captain A. E. Dubuc, C. of G.; Captain J. V. Roy.

The authorized war establishment of this unit, including details, left at the base, is: 36 officers and 1,097 other ranks.

4. No. Seventy-one men are required to complete the battalion.

5. Lieut. Camille Laviolette, A.M.C.

6. Yes. Six—one officer and five Army Medical Corps men for water duties, one of whom is a corporal.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. E. Lapointe: For a copy of all reports, correspondence and other communications between the Department of Customs and Auguste Desjardins, of St. Denis de Kamouraska, since his appointment as a preventive officer of that department.

Mr. E. Lapointe: For a copy of all reports, correspondence and other communications between the Department of Inland Revenue and P. Courcy, of St. Pacôme, since his appointment as preventive officer in the said department.

Mr. E. Lapointe: For a copy of all documents, letters, messages, correspondence, petitions, recommendations, reports, etc., connected with the building of a station for the National Transcontinental railway at Armagh, county of Bellechasse, also regarding the different changes that were made regarding the site of the said station, and of all documents connected with the purchase of the different properties which the Railway Department and the Transcontinental Commission acquired for purposes of the said station.

Mr. A. K. Maclean: For a copy of all petitions, letters, documents, etc., between persons in the province of Nova Scotia and the Department of Trade and Commerce since August 1, last, with regard to Atlantic ocean freight rates on subsidized steamers or otherwise.

Mr. A. K. Maclean: For a copy of all correspondence, letters, Orders in Council, agreements, etc., in reference to the leasing or

transfer of the Windsor branch of the Intercolonial railway to the Canadian Pacific railway.

Mr. Pugsley: For a copy of all correspondence between the Chinese Consulate at Vancouver, B. C., and the Minister of the Interior, regarding recent Chinese arrivals in this country being allowed a refund of the head tax on their leaving British Columbia to return to their homes in China.

Mr. J. J. Hughes: For a copy of all correspondence and reports relating to the purchase of 25,000 shovels of special pattern, mentioned in Order in Council P.C. 2302, dated 4th September, 1914, on page 38 of memoranda respecting work of the Department of Militia and Defence, and also relating to any further purchases of such shovels.

Mr. Turgeon: For a copy of the pay-sheet for the month of October, 1914, in connection with repairs to the breakwater at Shippigan Gully, Gloucester county, N.B.

RAILWAY ACT AMENDMENT.

On the Orders of the Day being called:

Mr. W. F. MACLEAN: I wish to give a word of explanation in regard to Bill No. 30, which stands in my name, and for which a special hearing has been set for to-morrow in the Railway Committee. Inasmuch as the Minister of Railways has stated that he intends next session to bring in his own measure amending the Railway Act, and as my amendment is of the same nature, and as in consequence it would be useless, as I intended, to ask some people to appear before the Railway Committee to-morrow, I shall withdraw this Bill and save the people the necessity of coming down here.

SEED GRAIN FOR WESTERN FARMERS.

Mr. W. M. MARTIN: I call the attention of the Minister of the Interior to the fact that information has come to me from several sources in the West to the effect that representatives of the Government have written letters in different cases stating that applications for seed grain would not be received after the 20th day of February. I wish to ask the minister whether the officials of the department have been instructed to accept no further applications for seed grain.

Mr. ROCHE: The hon. gentleman will see that it was necessary to have some date fixed beyond which applications would not be received, or otherwise we would not know what quantity of seed grain to purchase, and to clean, bag, and ship. I understand that applications from the drouth area were limited to the 31st of January; in the immediate area similarly situated the date was fixed as the 20th of February, and outside that in other districts a longer time was given, namely, to the 10th of March. No application will be received after the 10th of March.

SALE OF UNDERSIZED LOBSTERS.

Mr. PUGSLEY: I desire to get some information from the Minister of Marine and Fisheries on a question of some importance. I have received information from St. John that lobsters of very diminutive size caught in Nova Scotia are being placed upon the market there. Some of these are as small as 3¼ inches. By regulation, the fishermen of St. John county are limited in the taking of lobsters to those of 10½ inches, I think my hon. friend will know whether I am right or not. A sample of one of these small lobsters offered for sale was sent me so that I could show it to the minister. I desire to ask if his attention has been called to the matter. It is certainly very objectionable that lobsters of such small size should be allowed to be caught. He will recognize how important this matter is.

Mr. HAZEN: I will attend to the matter.

WAYS AND MEANS—THE TARIFF.

The House again in Committee of Ways and Means, Mr. Sevigny in the Chair.

Hon. W. T. WHITE (Minister of Finance): I desire, with the consent of the Committee, to proceed with the consideration of a resolution, which I shall introduce, relative to the tariff. The House will recollect that in the Budget speech I gave notice of two resolutions, one affecting special taxation which the Government proposed and the other relating to certain tariff increases under the proposed War Revenue Act. It will be more convenient for me, if the committee is agreeable, to proceed first with the consideration of the resolution which I shall present dealing with the increases in the tariff. We are considering certain modifications in the phraseology, and slightly in the substance, of the resolutions relating to special taxation. I have not at present—but expect to have later in the afternoon—copies of the resolution as modified.

Now, with regard to the resolution relating to the tariff changes, I desire to say that there are certain modifications which I have to propose, one new item and a small number of additions to the list of exemptions. At the request of the Government of Newfoundland we propose to place upon the free list wild edible berries. I

have to propose also certain additions to the list of exemptions as follows: At the request of the Government of the sister colony of Jamiaca, I propose that bananas shall be exempted from the increase in tariff under the War Revenue Act.

Sir WILFRID LAURIER: That is au excellent move.

Mr. WHITE: My right hon. friend knows that excellent moves are characteristic of me. Why should he express surprise at one?

Sir WILFRID LAURIER: Yet I do. But better late than never. That is all right.

Mr. MARCIL: Does the item "edible berries" include blueberries, which grow in large quantities in the province of Quebec?

Mr. WHITE: These berries are known as partridge berries, and grow on the rocks of Newfoundland.

I have added to the list of exemptions, silk in the gum or spun silk imported to be used in the manufacture of woven labels. Woven labels manufactured of silk come under the operation of schedule C of the French treaty, and consequently are not subject to the increased duties of 7½ and 5 per cent proposed in the Budget. Silk in the gum or spun silk imported to be used in the manufacture of woven labels, therefore, will also be exempted from the rates in question.

I am placing manuscripts also upon the free list, at the request of the Customs Department, who state that it is almost impossible to fix a valuation upon which the rates of duty could be imposed.

There are two other important items: Coffee and coffee extracts. Hon. gentlemen will recall that in the August session we increased the duty upon coffee and upon its products, including coffee extract. From a careful consideration of the matter since bringing down the Budget, I have reached the conclusion that to add a special war tax to the special tax imposed at the August session upon coffee would probably have a not inconsiderable effect upon the trade, especially in view of the fact that tea has been left upon the free list. Tea is largely used in eastern Canada and coffee in western Canada; both, of course, are largely used throughout the Dominion.

Then there is platinum. Platinum is about three times as valuable as gold. It is used for laboratory and other purposes, and the tax of 7½ and 5 per cent would be exceedingly heavy if placed upon it. We propose, therefore, to include platinum in the list of exemptions.

I come now to the item of fertilizers. Since the Budget was brought down, requests have reached us from the Agriculture Department, in connection with its campaign for increased production throughout Canada, to consider favourably the placing of fertilizers in the list of exemptions. Similar requests have been made by hon. gentlemen on both sides of the House. The amount involved is not large; apart from this, it is, of course, a pleasure to the Government to further in any possible way the propaganda of the Agricultural Department which has for its object the increase of production throughout Canada. I propose, therefore, that items 662 and 663, which cover manufactured and unmanufactured fertilizers, be included in the list of exemptions, and in addition to that we include also acid phosphate of lime, sulphate of ammonia, nitrate of soda, muriate and sulphate of potash, when imported to be used for fertilizing purposes. I think that these three items cover all manufactured and unmanufactured articles known as fertilizers or the raw material which enters into their manufacture.

Mr. A. K. MACLEAN: Will there be remissions of duties paid since February 12?

Mr. WHITE: This provision will relate back to the date of my Budget speech, from which date the duties were collected.

Mr. PUGSLEY: Do we understand that duties paid under the original provision will be refunded? I have had many letters on the subject from persons who have paid these duties.

Mr. WHITE: There will be a refund, because this provision will relate back to February 12, the date when the duties become operative.

Mr. PUGSLEY: Should there not be some provision to cover that?

Mr. WHITE: I think it is amply covered in the resolution which I have prepared, and which I shall present in due course.

There is one other item which was drawn to my attention—I speak from memory, but am satisfied that I am correct—by the Minister of Agriculture for the province of Ontario. It is that of cotton seed cake and cotton seed cake meal used for feeding purposes. We propose to include that in the list of exemptions.

Mr. NESBITT: That is what is commonly known as cotton seed meal, is it not?

Mr. WHITE: That is my understanding of it. Their technical designations are as I have given them.

Mr. NESBITT: They were so designated in the last tariff, but this product is called cotton seed meal by the general public.

Mr. WHITE: I believe that is correct. Another item which we propose to exempt is No. 45, milk foods used by hospitals and for the feeding of infants. When I speak of exemptions, the House will understand that I mean exemptions from the operation of this war tax of 7½ and 5 per cent.

The war tax upon spirits is a matter of some importance. This duty was formerly specific; under the proposals of the recent Budget importations of spirits become subject to the 7½ and 5 per cent rates. I pointed out the other day that we were imposing a duty of 5 per cent and 7½ per cent on imported spirits and that the distiller of spirits of domestic manufacture would have an increased cost in his manufacture by reason of the fact that his coal and his corn and machinery and other materials would be subject to a special taxation of 7½ per cent and 5 per cent. Since the Budget speech it has been brought to my attention that the duties under the War Revenue Act would apply to the fair selling value of spirits at the place from which they were imported and that included in that fair selling value is the excise duty levied by the foreign government. We propose that, so far as the imposition of these customs taxes is concerned, these excise duties shall be disregarded in estimating the value of goods for the purpose of our amendment to the customs tariff of 1907. I hope I have made myself clear. Under the Customs Act at present, spirits are imported into Canada and an ad valorem duty is imposed, that ad valorem duty would take effect upon the fair selling value of the spirits, say in Great Britain or in Holland or in any other country, including in that, the excise duties imposed by the Governments of those countries. I propose that that should be disregarded and that the 7½ per cent or the 5 per cent, as the case may be, should be imposed upon the selling value, disregarding the excise duty which I have mentioned.

Mr. A. K. MACLEAN: The excise imposed in the country of origin would be a part of the price there, would it not?

Mr. WHITE: Precisely.

Mr. CARVELL: You exclude the foreign excise?

[Mr. Nesbitt.]

Mr. WHITE: Certainly. The reason we are doing that is that it is important that if we are to be fair in the imposition of these taxes, while we should see that the home producer, that is to say, the distiller, has a tax imposed, so to speak, to protect him—I am not using that in the fiscal sense—as against the added cost of his production, the cost of his production would be compared with the cost of the production abroad, and the foreign excise should therefore be disregarded. We think that the proposal we are now making will be fair to these importers of spirits and fair also to the distiller here.

Mr. LAW: Under the new arrangement, is the distiller of Canada not given more protection than he had before the Budget was brought down?

Mr. WHITE: Than what I am now proposing? No, I do not think so. As the Budget was brought down the proposals would have imposed a tax of 7½ per cent or 5 per cent, as the case might be, on the price of the spirits in the country of origin from which they were imported. Included in that price, in fact the major part of that price, is the excise charged by the Government in the country of origin. As I brought down my proposals, the 7½ per cent and the 5 per cent would be levied upon, let us say, $2 as the price of a certain amount of liquor, including foreign excise; whereas now I am excluding foreign excise and the 7½ per cent will operate only on a very much less amount of the price.

Mr. A. K. MACLEAN: It will be on the selling price less the excise of the country of origin?

Mr. WHITE: Yes.

Mr. MACLEAN: Will it be on a flat declaration of that kind? Will your regulations say that the customs duty will be imposed upon the selling price in the country of origin less the excise duty?

Mr. WHITE: The proviso is:

Provided also that excise duties shall be disregarded in estimating the market value of goods for the purpose of this amendment to the Customs Tariff Act of 1907.

Mr. A. K. MACLEAN: Would not the excise be a part of the selling price? Is not the excise tax paid by the foreign producer in the country of origin part and parcel of the selling price?

Mr. WHITE: No doubt, that is, if the goods are for home consumption.

Mr. MACLEAN: How can you separate them?

Mr. WHITE: The invoice value of goods exported in bond will not include the excise duties.

Mr. MACLEAN: You propose in the first place in exacting the duties to ascertain the selling price and then specifically deduct the excise?

Mr. WHITE: The invoice value is always the price less the excise duties.

Mr. CARVELL: I do not think the minister understood the question of the hon. member for Yarmouth (Mr. Law.) The question was: Will the changes which my hon. friend now proposes still leave a greater protection to the Canadian producer of spirits than he had before the hon. gentleman's Budget speech on February 12?

Mr. WHITE: I do not think so for this reason, that the distiller will have to pay the same rates, the 7½ per cent or the 5 per cent, upon his raw materials and upon his machinery and not only that, but it is by no means clear that the price will at once rise to the level of the existing price plus the 7½ per cent or the 5 per cent.

Mr. CARVELL: And then on the other side of the account my hon. friend has pointed out what the distiller will pay. On the other side of the account he will have the protection of 7½ per cent on
4 p.m. the cost of the article in the country of production, less the excise duty.

Mr. A. K. MACLEAN: In that case it would be the importer who gets the advantage and not the distiller.

Mr. WHITE: If the importer brings it in the duty is less. No doubt my hon. friend has that in mind. What I am doing is to cut down the amount of duty which will be paid upon the importation on spirits.

Sir WILFRID LAURIER: That is an improvement.

Mr. WHITE: I am glad that my right hon. friend again says that is an improvement. Before I get through my right hon. friend will probably be wholly converted.

Sir WILFRID LAURIER: Will my hon. friend allow me? When he brought down these resolutions I drew his attention to the fact that the distiller had an advantage of 7½ per cent upon the foreign article coming into competition with his goods, which includes in the price to the consumer the excise duty; and the excise duty upon spirits is very high in all countries. A gallon of spirits will, as a rule, cost in the neighbourhood of $3, the cost of production being about 50 cents per gallon, and the excise about $2.50 per gallon. Therefore, the distiller would have 7½ per cent upon the $3, the selling price in the country of origin. If my hon. friend drops the excise, and calculates the duty upon the cost of production without the excise, the distiller would still have a protection of 7½ per cent on 50 cents, not on $3—a still large protection. Against that you say that the distiller in this country would have to pay 7½ per cent upon his corn and upon his coal; and the point of the hon. member for Yarmouth (Mr. Law) was whether you are yet giving a large protection to the distiller. It is not possible for me to go into that fully, because I do not know the value of the coal or the corn that goes into the production of one gallon of spirits. But I think there is still protection in favour of the distiller.

Mr. WHITE: I think the amount will be almost negligible; it will be small at all events. The large factor pointed out by my right hon. friend is the excise. Shortly after I brought down the Budget I was waited upon by the representatives of the spirit trade, who pointed out that previously the duties had been specific, and that these proposals would give an undue or disproportionate advantage to the distillers. Upon consideration it appeared to me that their complaint was well founded; and this appears to me to be the solution of the difficulty, for I think it will be substantially fair to the spirit trade, and substantially fair also to the distiller. In dealing with this question we must not forget that labour and capital are cheaper in European countries than here; and I need not go into the question of overhead charges. Therefore, having regard to the fact that the distiller has to pay the duty upon his coal, upon his corn, and upon his machinery, and having regard also to the fact that he has higher operating charges than abroad, I think that any advantage he might get from this tariff would be inconsequential.

Mr. CARVELL: The minister has mentioned Britain and Holland. Could he give any idea as to the percentage of the fair selling price of a gallon of whisky? I mean the proportion between the cost of production and the excise paid in the for-

eign country? Would it be 50 per cent each, or 25 per cent and 75 per cent?

Mr. J. D. REID: I might say that the price of liquor per gallon is about 40 to 50 cents in bond, but the excise duties vary in different countries.

Mr. CARVELL: Take Britain or Holland, the two countries mentioned by the Minister of Finance.

Mr. REID: The question of excise does not come in at all in the proposals of the Minister of Finance.

Mr. CARVELL: If you take it out, and we could easily reckon the cost of production know the cost of a gallon of whisky, we in a foreign country—

Mr. REID: Foreign countries sell their liquor as we do, in bond. In England it would be about 40 to 50 cents a gallon, and they do not have to pay the excise duty in that country.

Mr. CARVELL: That answers my question.

Mr. REID: There is no excise duty upon liquor that is exported from those foreign countries. It is necessary to state that it is the price in bond, for the reason that in our old tariff it is specifically mentioned as so much per gallon. The question of price is not so important, on account of it being mentioned in the original tariff as per gallon. But in this case it is necessary to have it stated in the tariff that it is the price of liquor as sold in bond.

Mr. CARVELL: I wanted to find out what the liquor really cost in the country of production, and I think the Minister of Customs has answered my question. He says 40 to 50 cents. We can easily argue from those figures. If a duty of 5 or 7½ per cent is applied, we can easily find out to what extent the home producer of liquors is protected.

Sir ROBERT BORDEN: I made an inquiry in consequence of what my hon. friend from Halifax (Mr. A. K. Maclean) asked a moment ago, and the information afforded has been practically given, by both my hon. friend the Minister of Customs and the Minister of Finance. But perhaps the answer may not have been clearly understood. The difficulty has arisen from the fact that for the most part the duties imposed upon liquors, both by way of excise and by way of customs, have been specific duties, which of course are very high. Now, under the Tariff Act, the value upon which the duty must be imposed is the fair selling price in the country of exportation, but in the case of liquor the fair selling price in the country of origin is very largely composed of excise duties. Perhaps 75 per cent is composed of excise duties if the liquor is sold in that country. But in other countries, as well as in this country, when liquor is sold for export, the excise duty is not paid. Therefore, if the proposals as first brought down were to be interpreted in that way, and apparently the customs authorities think they would be so interpreted, the result would be that a tax would be imposed upon an amount three-fourths or four-fifths of which was not paid by the importer. Do I make myself clear?

Mr. A. K. MACLEAN: Yes, I understand.

Sir ROBERT BORDEN: For that reason, in order to get the fair selling value, within the meaning of the Act, it is proposed to disregard that portion of the supposed selling value which is not really paid by the importer and which is represented by an excise tax upon the goods exported from the country of origin and imported into this country. So that it comes down practically to this: The 5 or 7½ per cent duty is to be paid upon the price which the importer actually pays for the liquor that he brings into this country.

Mr. CARVELL: Which would be 40 or 50 cents a gallon according to the Minister of Customs.

Mr. A. K. MACLEAN: Instead of having a mixed tariff, would it not have been better to have imposed an additional specific duty, which would be equivalent to the 7½ per cent on the selling price in the country of origin?

Mr. WHITE: I am informed that the Customs Department can administer the tariff in respect of the commodities we have been speaking of at the ad valorem rates. For uniformity, with, I think, one exception, we have determined upon the 7½ and 5 per cent general horizontal raise in the tariff, as I stated in the Budget. I gave consideration to the question drawn to my attention by the hon. junior member for Halifax (Mr. Maclean), and discussed the matter with my tariff officers, and they discussed it with the Customs Department. They see no difficulty in administering the tariff under the ad valorem rates, which are in addition to the specific rates.

Mr. CARVELL: Has the minister considered the advisability of levying the 7½ per

cent on the fair selling price in the country of production and putting on sufficient excise in Canada to equalize the matter, adjusting it so that you get the revenue, and the home manufacturers get no more protection? In my judgment, that is the proper course to pursue. My hon. friend may say there is such a thing as taxing an article beyond the point of producing revenue. As far as I am concerned, you can tax whisky just as high as you want to, and if we do not get the revenue out of it we will not have the stuff in the country. I think it would have been better if the minister had added on the excise in Canada and balanced up the price to the importer after he had levied the 7½ per cent.

Mr. J. D. REID: The rates of duty of 5 per cent and 7½ per cent on the liquor that will now be imported will be estimated on a value of say about 40 cents per gallon, the export price from the exporting country. If the duty is 5 per cent it will be two cents per gallon, and if it is 7½ per cent it will be three cents per gallon, in addition to the present customs tax of three dollars per gallon.

Mr. CARVELL: Suppose you had left out the tariff proposals of a month ago?

Mr. REID: Wait till I answer this question. The manufacturer of liquor in this country pays 7½ per cent additional on his corn. Sixty cents per bushel is a fair average price for corn. That would be about five cents per bushel, in addition to which he pays duty on his coal. The duty that would be paid on the quantity of liquor produced from a bushel of corn would about balance up the duty that would be imposed on liquor coming from a foreign country. So far as the liquor manufacturers in Canada are concerned, I cannot see that they are getting any advantage, such as has been suggested by the right hon. leader of the Opposition (Sir Wilfrid Laurier).

Mr. PUGSLEY: This is not a question entirely between the importer of liquor and the distiller. Is it not of some interest to the people? They are paying a tax upon practically everything that they eat or wear, and they are interested in the rates of duty that may be imposed. Under the Budget as brought down there was to be a duty of 7½ per cent from countries to which the general tariff applies, and of 5 per cent from countries enjoying the British preference, and these rates were to apply to all spirits imported into Canada. I understand that by the present proposals it is intended to reduce the value of these imported spirits for duty purposes by 75 per cent. It is stated that the excise amounts to 75 per cent of the value, and therefore, instead of spirits worth $1,000,000 paying a duty upon $1,000,000, as they would have to pay under the Budget as brought down, by this change they will only pay a duty upon $250,000. Is that fair? My hon. friend has sought to impose taxes all round; he says tney are going to bear equally upon all the people and that he is going to raise so much revenue. Then, when he is brought face to face with the fact, as pointed out to him by my right hon. friend the leader of the Opposition, that he ought to have increased the excise duty as against the distiller; so kindly disposed is he towards the distiller that he says: I will not do that, but I will make it all right to tne importer by reducing his valuation to the extent of 75 per cent:

Mr. W. T. WHITE: This is against the distiller.

Mr. PUGSLEY: No, it is in favour of the importer.

Mr. WHITE: It is against the distiller.

Mr. PUGSLEY: It is against the distiller, but it could have been made equitable as between the distiller and the importer by raising the excise duty.

Mr. WHITE: No.

Mr. PUGSLEY: Why not?

Mr. WHITE: My hon. friend from Carleton (Mr. Carvell) answered his own question and also the objection of the hon. member from St. John (Mr. Pugsley). He stated that there is a point beyond which, if you carry your taxation you defeat your own ends.

Mr. MARCIL: Can the hon. gentleman tell me why that happens?

Mr. WHITE: My hon. friend knows well why it happens.

Mr. CARVELL: What evidence has the minister that if you put on a 7½ per cent excise you defeat your ends?

Mr. WHITE: We have no conclusive evidence, but the opinion of the experts of the Customs Department and of my department is that with the excise that we imposed last August upon liquors and tobacco we reached the maximum in so far as excise is concerned, and that if we increase

beyond that point instead of getting a greater revenue we will get less revenue. That is the answer to my hon. friend.

Mr. CARVELL: We have had six months' experience; what is the result?

Mr. WHITE: My hon. friend can analyse the result as well as I can. My hon. friend knows that many factors have entered into the consideration of that question during the past few months, such, for instance, as the dislocation of trade and commerce. I am not going over the ground that has been traversed so frequently during the late debate, but my view is that we cannot increase the excise without defeating our purpose, which is to obtain more revenue.

Sir WILFRID LAURIER: There would be a less consumption of liquor then?

Mr. WHITE: Possibly so.

Mr. PUGSLEY: That would not be an unmixed evil.

Mr. WHITE: We are not discussing that question now; we are discussing a revenue Bill. Probably my hon. friend, if we were speaking of it from another standpoint, would find that I was not less desirous of restricting the consumption of liquor in Canada than he is. But we are not now dealing with that question; we are dealing with the question of revenue. Our starting point is that it is not advisable to increase the excise in the interest of obtaining revenue. That being so, if we had allowed the 7½ per cent and the 5 per cent to apply to the fair selling price—and as my hon. friend the Minister of Customs has pointed out, goods are sold abroad in bond and regard should be had also, as required by the Customs Act, to the excise of the foreign country—the effect would be to give the distillers altogether too great an advantage, and that is what my hon. friend had in his mind when he called my attention to it. That is what my right hon. friend the leader of the Opposition had in his mind, and that is what was drawn to my attention some time ago by the spirits trade. What we are seeking to do is to get the maximum of revenue and to so deal with our revenue proposals that neither the distiller on the one hand nor the spirit importer on the other will have an undue advantage; in other words, to get the maximum of revenue with fairness and justice to all concerned.

Sir WILFRID LAURIER: The argument of my hon. friend (Mr. White) is not an answer at all to the objection of my hon. friend from St. John (Mr. Pugsley). The hon. gentleman says that we cannot increase the excise because we would defeat the object of the Bill, which is to obtain revenue. My hon. friend the Minister of Finance thinks that he will get revenue if he adds 7½ per cent to the customs duties. If the trade can support 7½ per cent of an increase in the customs tariff on liquor it could support also an excise duty. The two things always go together.

The Minister of Finance says he cannot afford to reduce his revenue, because if he puts more excise on he will defeat the purpose he has in mind. If you put the customs duty at 7½ per cent you expect you will have the same quantity of liquors coming in and that you will get the increased revenue, but in the matter of spirituous liquors excise duty and customs duty always go together. It is the intention of the legislation that there should be no protection and that the whole revenue should go into the treasury. If there is more duty on the liquor that comes from abroad, there will be less production here, and if there is less coming from abroad there will be more production in Canada. In order that there should be no protection to the distiller all governments have wisely provided that there should be a customs duty equalled by an excise duty; in other words, that the duty paid on every drop of liquor which is consumed in this country shall go into the treasury.

Mr. W. T. WHITE: There has been an excise duty corresponding to the customs duty, but there has been additional customs duty as well. My point is that the distiller must pay upon his raw materials 7½ per cent. The 7½ per cent will apply, not to the selling price abroad, having regard to the excise contained in it, but upon the selling price abroad without regard to the excise. My hon. friend from St. John (Mr. Pugsley) states that we would have got a certain amount of revenue from the liquor that would come in if we imposed a 7½ per cent or a 5 per cent increase upon the selling price of the liquor abroad, including the excise. My answer to that is simple: if I did not amend as I am now amending, the liquor would not come into the country. The duty would be too high in competition with the home-manufactured article, and therefore I would not get as much revenue as I now get.

Mr. PUGSLEY: If the same quantity of liquor was used as before, whatever was

lost from customs would be gained by excise.

Mr. WHITE: My hon. friend is begging the question. I am proceeding upon the ground that you cannot increase the excise by 7½ per cent without defeating your purpose.

Mr. PUGSLEY: Can you defeat your purpose unless there is a lesser use of intoxicating liquors ?

Mr. WHITE: That is a different question and we are not arguing that. Some day it may be necessary to argue the question as to whether it would be desirable to limit the importation and consumption of liquor, but the question before us now is the question of getting revenue, and at present we are considering a revenue measure. If I did not make this amendment I would not get the same revenue. My hon. friend says the same amount of liquor will be consumed, and that we can make up for the decrease by putting excise on the home-made article. We have considered that and we have come to the conclusion that we could not put the 7½ per cent on the home-made article without defeating our purpose to raise additional revenue.

Mr. PUGSLEY: The Minister of Finance will admit that the only way he could defeat his purpose by making the excise duty too high would be that he would not get as much money from excise. The same quantity of liquor would be imported as long as people continue to use intoxicating liquor, and what he would lose in excise he would gain in customs. On the other hand, if he left the customs duty as he proposed, then anything he lost in customs he would gain in excise. Is not this the fact: That the Minister of Finance has really been tender towards the distiller. There is no class of people in this country who have made more money out of their business than the distillers of Canada; there is no wealthier class in the country than they, and there is no class which requires less consideration, so far as excise duties are concerned. It does seem to me that what the Finance Minister ought to have done was to have increased the excise duty, if he wanted to equalize the obligations as between the importers and the distillers. Instead of doing that, he proposes by a scratch of the pen to take off 75 per cent from the tariff duty which has to be paid by the importer. That is what the Minister of Finance purposes doing. The effect of what the hon. gentleman says is, that if he leaves the import duty as proposed and he increases the excise duty, he will make the cost of liquor in this country greater. Everybody admits that the result of this tariff will be to make the cost of clothing, the cost of foodstuffs, the cost of all the necessaries of life greater by the extent not only of the duty imposed but also by reason of the extra price which will be charged by the manufacturers on the home product. Suppose the people of this country who use intoxicating liquors have to pay a little more than they do now, and suppose they have to bear their share of the burdens which all the people of this country are called upon to bear by reason of this so-called war tax, would there be any great evil in that? I do not believe that the use of intoxicating liquors will be affected one iota by the raising of the excise duty or the increase of the import duties. If they want to drink liquor at the club, in the hotel, in the bar-room, in their private houses, they will drink liquor notwithstanding that a few cents more per gallon are added to the cost. Of course, the Minister of Finance knows that I do not agree with his tariff at all and that I believe it is all wrong, but instead of making a reduction and seeking to lessen the burdens on those who drink intoxicating liquors, he ought to have left the import duties as they were, and if he wanted to equalize matters as between the distiller and the importers he could have raised the excise duty to a reasonable amount. Then if as a result people did not buy as much liquor which was distilled in Canada, there would be so much more imported, and whatever the Government might lose in excise duty it would gain in customs duty.

Mr. BURNHAM: Do I understand the hon. member to lay down the principle that the raising of the tariff rates will not decrease the consumption of liquor?

Mr. PUGSLEY: My view is that the raising of the tariff rates as proposed will not materially reduce the consumption of liquor.

Mr. A. K. MACLEAN: Do I understand the Minister of Finance to argue that the additional duties imposed upon the raw materials of the distillers are the equivalent of the additional excise, and for that reason no substantial excise duties are imposed?

Mr. WHITE: I do not desire my hon. friend to understand me as saying that. We are dealing with a 7½ per cent ad valorem duty. The question is raised as to whether

it is effective and if so to what extent additional protection is given to the distiller. The distiller has to pay upon his corn, and upon his coal, and upon his machinery and his packages, the war revenue tax on the basis of 7½ per cent or 5 per cent. As a set-off to that, and also for the purpose of obtaining revenue, we are imposing the 7½ per cent and the 5 per cent upon the selling price. It is necessary I should insert this proviso because if I did not, under the provisions of existing legislation, the customs officials would have regard to the foreign excise tax.

Mr. A. K. MACLEAN: I think we understand that.

Mr. WHITE: Very good, then; my hon. friend (Mr. Pugsley) took the view that we are depriving ourselves of revenue by making this change, and he also put forward the assertion that we were tender to the distiller. My hon. friend knows as well as I do that in making this change, instead of being favourable to the distiller it is distinctly unfavourable to the distiller as compared with the proposals in the Budget, because the product of the distillery here is in competition with the spirits imposed by the import trade. Therefore, what I am doing, instead of being favourable to the distiller, is decidedly unfavourable to him. I am not doing it to be unfavourable to the distiller, but to do simple justice as between the distiller and the importer. My hon. friend says, why not raise the excise 7½ per cent and let the 7½ per cent as it is remain on imports? My answer is that in August last we imposed very substantial additional taxation upon spirits and I have been advised by the experts of the Excise Department and of the Customs Department that we have raised it up to about the maximum point, and that if we carry the duty beyond a certain extent there will be smuggling and illicit manufacture, and there might also be a diminution of consumption which would reduce the revenue. We are not dealing with the question of advisability or non-advisability of diminishing consumption—or, at least I am not—the only question is as to additional revenue. It seems clear to me that we shall not deprive ourselves of additional revenue by reason of imposing the additional 7½ per cent upon the selling price disregarding the foreign excise duty, because, as the proposals were brought down, on account of our not having inserted the proviso I now propose to insert, the importations would be greatly diminished, and therefore our revenues would fall off although the rate would apply upon a higher value than will now be the case. Therefore, the answer is in regard to increasing excise I am advised that I should defeat my purpose. As to the duty on imports, in the first place I should receive less revenue under the proposal of the Budget than I shall now obtain; and secondly, unless my proposals were amended the distiller would have an unjust advantage. What I propose to do is to put our proposal upon a just and equitable basis so that I shall get, as I judge it, the maximum of revenue, and at the same time hold the scales even as between the import trade and the distiller, and not give the distiller a disproportionate advantage.

Mr. MARCIL: I cannot speak for other provinces, but I know that in the province of Quebec the consumption of liquor must have fallen off materially during the past year or two. In the lower part of Quebec between Levis and Campbellton there is not a single licensed hotel.

Sir WILFRID LAURIER: There has not been for many years.

Mr. MARCIL: Not for many years. In Montreal 70 licenses were cancelled by the License Commissioners, the Government of Quebec allowing compensation to those who sold out. The liquor business in Montreal has fallen off very materially. A wholesale liquor dealer told me a few days ago that whereas an ordinary saloon in Montreal would sell $400 or $500 worth of whisky in one week, the sales have fallen off to $125 or $150 a week. I read this morning that one of the famous night cafés in Montreal which have caused so much discussion, was recently sold out, the whole outfit being knocked down under the auctioneer's hammer. But, as the minister says, we are not discussing this from the moral point of view, but from the point of view of revenue. The great objection to the kind of liquor sold in Quebec is that it is often greatly adulterated. I remember that a few years ago—the hon. Minister of Finance was not here then—the hon. member for South York (Mr. W. F. Maclean) gave us an elaborate explanation of the manufacture in Toronto of Scotch whisky, liquor of a very inferior quality, that never saw the Highlands of Scotland—nor the Lowlands either. It is an infraction of the law to sell as Scotch whisky that which is not the genuine article? And is there, under excise regulations or otherwise, any control by the

Dominion Government over the selling of poisonous drugs under the name of whisky, such as are sold in many bars to the poorer classes of people?

Mr. W. T. WHITE: I am afraid I am unable to answer my hon. friend with any authority. I understand that, in the case of whisky, if the word "Scotch" should be taken to apply to the quality of the liquor and not to the place of origin there would be some redress. But my opinion is not worthy of weight because I have not specially looked into the matter. I think that the hon. member (Mr. C. Marcil) does not dissent from the views I have expressed because if he is interested in seeing that there shall be quality in the liquors, then it is obvious that there should not be a disproportionate or inequitable advantage to the home manufacturer. In other words there should be a stimulus to competition as between the home manufacture and the imported article.

Mr. MARCIL: I thank the minister for his explanation, but I fear I did not make plain the point I wished to bring out. I wished to know if there is any system of inspection over the manufacture of liquor in Canada. I often see newspaper advertisements of whisky in which appear some such words as "Inspected by Government officials." Is that really the case with all the liquor manufactured in Canada, or not?

Mr. WHITE: In a sense, I think it is, because the manufacturer is required to keep the product a certain time. But I do not believe—though I should be glad to be corrected if I am wrong—that the Dominion carries on inspection as to quality. It is quite possible that the provinces do, as they issue licenses for the retail and wholesale sale of liquor.

Mr. MARCIL: I do not wish to insist on the point, but the minister will see the importance to the labouring and poorer classes, if they must have liquor, that it should not be of a poisonous character. Some of the drugs sold to the working classes as liquor are nothing less than poison.

Mr. WHITE: I have explained the modifications which I have proposed, and I desire to move this resolution, which is the resolution of which I gave notice in my Budget speech, modified as I stated in my opening remarks to-day.

Mr. A. K. MACLEAN: Would not the order be to pass the original resolution through committee and then propose the other? Or is the minister only presenting this as an amendment?

Mr. WHITE: I took the opportunity of consulting the Clerk of the House on the subject. He stated that I had given notice of the resolution, but had not moved it, and therefore I could move this resolution in committee, which, as I have stated, embodies the modifications I have made in the resolution of which I gave notice in the Budget speech. I believe the procedure is regular. If there is any doubt about it, I could move to have the resolution of which I gave notice amended by this.

Sir WILFRID LAURIER: I think the regular procedure would be, if there is to be a departure from the original notice, to give the notice again. But we will not insist on that.

Mr. WHITE: I inquired as to that. If I were proposing to increase the burden of the tax, I should give notice, but what I am doing is exempting, and that, I understand, can be done in committee without notice. But I should be glad to oblige my right hon. friend in any way, and, if he desires, to allow this to stand as a notice of motion. But there are so few amendments made that I suggest we might proceed.

Sir WILFRID LAURIER: Hear, hear.

Mr. PUGSLEY: Before proceeding, I wish to congratulate the Minister of Finance upon his having yielded, even if only after some four weeks' discussion, to the protests made by this side of the House with reference to some very onerous and some very unwise impositions proposed in his Budget speech. I want to refer especially to the taxes on fertilizers. As to that, I do sincerely congratulate the Finance Minister and the Government for having even at this late date acquired wisdom as to what it is proper to do in the interests of the farmers of Canada. My hon. friend has said that representations were made to the Government by members on both sides of the House in favour of exempting fertilizers. Surely my hon. friend is mistaken as to that. The hon. member for Assiniboia protested against the duties on fertilizers, showing that it was proposed to increase the duties upon fertilizers coming from Great Britain by 100 per cent, and upon fertilizers coming from the United States and other countries under the general tariff by 75 per cent. He pointed out that this was a marked instance in which a preference was given not to Great Britain, but to the United States. I myself called attention to this onerous burden proposed

to be placed upon the farmers, and quoted from letters which I had received protesting against the imposition of such a tax. But hon. gentlemen on the other side of the House justified this proposed burden upon the farmer. The hon. member for North Essex justified it, and other hon. gentlemen, equally eloquent, equally forcible in their argument and equally influential, justified it. My hon. friend said it was a small thing to be divided among 800,000 farmers, as if every farmer in Canada were going to use a part of the fertilizer imported and pay part of the aggregate duty. This is but another evidence of the fact that whatever proposal my hon. friend and his colleagues make to the House, hon. gentlemen behind him are ready to back it up, to support it, to justify it. However, for hon. gentlemen to go even this short distance, by reversing their proposals, in encouraging the farmers to increase their production, is worth the three or four weeks discussion which we have had in this House. I have taken a very humble part in bringing light and understanding to my hon. friend the Minister of Finance, but even for the little that I have been able to accomplish I am very thankful indeed. My hon. friend will realize that other hon. members on this side of the House have led him into the proper path.

Mr. W. T. WHITE: The taxes that we proposed are for the purpose of meeting the situation caused by the war. Our intention was to make the increase fairly general in its operation. We made a number of exceptions. I am quite certain that the farmers of the country would be willing to pay the tax in question for the purpose that we had in view in imposing it. The times are not normal; in normal times we should not have brought down these proposals. It appeared to me from the discussion that took place that certain sections of the country are possibly more immediately interested in this tax than other sections are; certainly, having regard to the size of the country and the extent of the farming community, the tax as a whole would have been a small one. But, as I stated, it has been represented to me that the placing of fertilizers in the list of exemptions might tend to facilitate the propaganda of the Department of Agriculture, which has for its object the very laudable and, indeed, patriotic purpose of increasing production in Canada. As I say, the proposed tax is small, but even if it had been larger, in view of the requests made, as I have said, by hon. gentlemen on both sides of the House, I need not say that it would have been a pleasure to me to place it in the list of exemptions. I could argue justification for the tax and for all the proposals that we have brought down, having regard to the very extraordinary situation which we have been compelled to meet. However, I am glad to receive congratulations, if they are in order. We have placed the tariff rates upon fertilizers precisely where they were before. As everybody seems to be happy—

Mr. CARVELL: Oh, no.

Mr. WHITE: Is my hon. friend not happy?

Mr. CARVELL: No, you have not gone far enough.

Mr. WHITE: I have gone farther than my hon. friend's tariff went.

Mr. CARVELL: Eliminate the tariff on fertilizers; then you will be doing something.

Mr. WHITE: My hon. friend was a long time there before I was here; I do not know that he made very much progress in that respect. What we have done is, I think, very fair, and will meet the requests that have been received from various parts of the country through the Agricultural Department.

Mr. PARDEE: I should like to draw the attention of the Finance Minister and the Government to the matter of gravel, which was formerly on the free list, but now to be subject to a duty of 7½ per cent. The hon. minister rather smiles at that suggestion—

Mr. WHITE: Oh, no.

Mr. PARDEE—But I can assure him that it is a very burning question in our part of the country. We have great difficulty in getting this material for the purpose of manufacturing concrete for foundations, etc. It is one of the crying necessities of our farming community. I think that what I say in this respect will be borne out by the hon. member for East Lambton (Mr. Armstrong) and by the hon. member for North Essex (Mr. Wilcox). Not very long ago a large deputation waited upon the Government, and I think that my hon. friend the Minister of Finance and the Minister of Public Works were among the gentlemen who received that deputation. They laid

before the Government their request that gravel should be brought in and distributed by the Government free of charge. At that time I said that although I was not wholly in accord with that plan, I thought that everything should be done by the Government that could be done in order to enable the farmers to get this commodity in the easiest possible way. At the present time practically one company has the whole concession along the St. Clair and Detroit rivers, in so far as the Canadian side is concerned. They have secured this concession under license from the Dominion Government and the Provincial Government of Ontario, and no person else is allowed to go there and take away gravel.

Mr. WILCOX: What company has the concession to which my hon. friend refers?

Mr. PARDEE: I think it is the Cadwell Sand and Gravel Company of Windsor. As a result, those persons who desire to deal in that commodity have to go to the American side of the river, bring the gravel into Canada, and pay a duty of 7½ per cent upon it. Having regard to the peculiar need of the community—although perhaps not so much to that peculiar need as to the peculiar way in which this commodity has to be obtained—and to the fact that the revenue the Government would receive from this source would not be very great, it would be a great help to the farming community if they were enabled to obtain this commodity at as little cost as possible. It might be well for the minister and the Government to take into their very careful consideration the restoration of the articles under that tariff item to the free list. I can assure the minister that such an action would be greatly appreciated and that although it may look like a small thing it is a question of very burning importance in our part of the country, whatever it may be elsewhere. The revenue derived from the imposition of this tax of course will be trifling and will be more than counterbalanced by the resulting benefit to the farmers.

Mr. WILCOX: In view of the fact that the hon. member for Lambton (Mr. Pardee) has made some reference to the Windsor Sand and Gravel Company, as I have some knowledge of the business in which they are engaged, it may be wise for me to make a few remarks. Complaints have been made to me upon former occasions. While the hon. member for St. John was Minister of Public Works, that is before the change of Government, three large sand bars in the St. Clair river required constant dredging in the interests of navigation, the expenditure on them running from $25,000 to $35,000 a year. The Windsor Sand and Gravel Company applied for permission to dredge the bars and entered into an agreement to furnish 2, 3, 4 or 5 dredges if need be to keep that channel open to navigation. The company put in an equipment costing them over $60,000. From that day to this they have kept the channel open, free of cost to the country. The company have no exclusive rights under their agreement, they have simply a permit and the Government are free to grant similar rights to any other company or individual.

Mr. PARDEE: I am not making a plea against the company, I am asking that this protective duty be removed.

Mr. WILCOX: I understood my hon. friend to say that the company had the exclusive right.

Mr. PARDEE: Yes, so it has.

Mr. WILCOX: That is not the information given me by the hon. member for St. John (Mr. Pugsley). I have seen the lease and my recollection is that it did not state that they had an exclusive right.

Mr. A. K. MACLEAN: Clear of that altogether, should the duty be imposed?

Mr. WILCOX: As a farmer, and I believe that I obtain the same view as other farmers, I have always felt that we want to pay our honest share of the increased taxes of this country. I do not believe in this handing out of something to the farmers of this country as a kind of a sop in which there was little or nothing with the object of creating a little sentiment to get a few votes.

Mr. PARDEE: I am glad my hon. friend takes that view. His farmers will be glad.

Mr. WILCOX: I never heard of gravel being imported in my part of the country. The gravel is all got along the Canadian side. All around lake Erie, lake Ontario and the Detroit river, the gravel is got on the Canadian side. In any case, very little sand or gravel taken from the lakes is used by the farmer, to discuss it in this way is only hair splitting, because the farmers in my part of the country get their gravel and sand in the southern portions of the country, where there are many good pits, some of them 30 and 40 feet deep.

Mr. PUGSLEY: The hon. gentleman referred to a contract that I had to do with as Minister of Public Works. I am not quite sure that I remember the locality; but is it not in the international river.

Mr. WILCOX: Yes.

Mr. PUGSLEY: And does not the company dredge from both sides of the boundary line? I know they take gravel over to the United States and it goes in free of duty, but I thought that in some cases they brought it from the United States to this side.

Mr. WILCOX: My hon. friend is right. The Canadian side is gravelly. The action of the stream carries the lighter parts, the sand, to the American side, and when the company desire sand, as I understand it, they have to get it from the American side because there is no sand on the Canadian side, only the heavier portions, the gravel.

With respect to the duty on fertilizer, which my hon. friend says I commended, I think the Minister of Finance spoke of some one being unhappy, and the right hon. leader of the Opposition said very quietly, Wilcox. I want to assure my hon. friend that I am perfectly happy. My remarks with regard to this subject were more to put my hon. friend right on the question of squid, because he mistakenly argued that squid was a fertilizer. That was the introduction of the fertilizer topic.

Mr. PUGSLEY: A very adequate justification, very happy.

Mr. WILCOX: My hon. friend knows that he was mistaken; he admitted he was mistaken, and he spoke of using it as a spray for trees.

Mr. PUGSLEY: Did not the hon. gentleman tell the House that the total duty on fertilizers was only $4,600, and when a correction was made did he not say it was a mere bagatelle on the farmers of the country, anyway?

Mr. WILCOX: My hon. friend must not put words into my mouth. He is always good natured, and I shall be good natured, too. But I am not going to stand for my hon. friend's putting words into my mouth that I did not use. I explained the matter fully, and my hon. friend said that I had given him a complete answer when I had said that one figure had been left out. I said that the duty amounted to $46,000, and that the census returns showed that there were 800,000 farmers in this country, and that therefore the duty averaged five and three-quarter cents apiece. We do not use this fertilizer extensively in our part of the country. It is used, however, by a number of farmers who are engaged in intensive farming. For instance, there is a Mr. Ellis who has five acres under glass in Leamington. I was present at his plant in the month of April, when he picked a ton of tomatoes for which he received 25 cents a pound. On the whole winter's operations he cleared $13,000. Now, that man uses a good deal of fertilizer, and he is just as able and as willing to pay the duty as any other man in this country. I was very much surprised yesterday when the hon. member for Carleton (Mr. Carvell) told us how much fertilizer was used in his county. I have absolutely no objection to the amendment suggested by the Minister of Finance. I only wished to explain what I had said in regard to what this war tax would bring, and what it would average to the farmers of this country. I believe that the farmers realize the death and misery on the battlefields of Europe, and the issues that are involved in this great conflict, and I believe they are willing to pay their share of the duties because we are living happy and free, so to speak.

Mr. A. B. McCOIG (West Kent): I am very glad that the hon. member for North Essex (Mr. Wilcox) is not going to object to the putting of fertilizer materials on the free list. He states that fertilizer is not very extensively used in his part of the country. I represent the adjoining county, and I wish to join with the hon. member for St. John (Mr. Pugsley) and other members in expressing my gratification that fertilizer materials are to be put on the free list. I am sure that the constituents whom I have the honour to represent will appreciate it very much. There are men in the county of Kent who use as much as four or five tons of fertilizer a year, and these men are classed among the most successful farmers in the province of Ontario. The duty originally proposed would have been quite an item to them, and for that reason I take this opportunity of thanking the Finance Minister for having made this change. I am sure it will be of considerable benefit to the people I have the privilege to represent. Might I at the same time ask the Minister of Finance to take into his consideration the question of putting on the free list the machinery that is used for putting fertilizer on the ground for the different crops. Many kinds of implements are used for this purpose in connection

with planting beans, corn, tobacco, and sugar beet, and only a very small percentage of this machinery is made in Canada; so that if the minister granted this request it would, at the worst, be depriving only a few of our labourers of work, and it would be of great assistance to our farmers who grow such varied crops. I am sure they would greatly appreciate it.

I should also like to say that I am heartily in accord with what the hon. member for West Lambton (Mr. Pardee) has said in connection with gravel and sand. The hon. member for North Essex said in substance that the farmers in his section of the country would not consider it very serious if this tax was kept on. In my section of the country large quantities of sand and gravel are used. If I remember correctly, when the deputation met the Minister of Public Works and other ministers some time ago, it was the hon. member for East Lambton (Mr. Armstrong) who made the greatest protest against what, if carried out, would have assisted the farmers of south-western Ontario in the way of putting up barns and improving sidewalks in the villages and towns. I believe that on that occasion Mr. Cadwell represented the concern which has the exclusive right of getting gravel and sand from the different rivers that have been referred to. So that you see he was looking after his own financial interests, while other gentlemen were endeavouring to find ways and means whereby the gravel and sand could be distributed through the different counties in south-western Ontario at as low a price as possible. I cannot agree with the hon. member for North Essex that the Cadwell Company should be allowed this exclusive privilege. I think other firms should be given an opportunity of competing. If the plants required in this business are so expensive that other firms cannot see their way clear to going into the business, then I agree with the hon. member for West Lambton (Mr. Pardee) that no further protection should be given to this concern by putting a duty of 7½ per cent on the material which is needed so badly in south-western Ontario. That is the position I take. I appeal to the Minister of Finance to give this matter his most serious consideration, and not to allow this firm any longer to compel the farmers of this country and the citizens of the different villages to pay just what they see fit for the gravel and sand that is so necessary for the improvement of the country generally.

Mr. J. E. ARMSTRONG (East Lambton): I was interested in the remarks of the hon. member for West Lambton (Mr. Pardee) in bringing this matter before the House. It is one of very great interest to the people living in the western peninsula, who are compelled to make use of these materials for building purposes and for road-making. If they wish to bring in building material to the western peninsula they have to go something like a hundred miles to get it; in fact, it is almost impossible for the people in the western district to get building material for roads or bridges or for what is required around the farms, unless they get it from the Cadwell Stone and Gravel Company. It is true that a year or two ago a deputation came to Ottawa with the object of persuading the Government to cancel the contract with the Cadwell Stone and Gravel Company, which was entered into under the administration of the ex-Minister of Public Works.

Mr. PARDEE: May I correct the hon. gentleman? As I understand it, the Department of Public Works had the right only to give a license to dredge or reclaim sand in navigable waters. The power to give an exclusive right to take that sand from the bed of rivers lay with the Ontario Government, and it was from the Ontario Government that they got their exclusive right. The Department of Public Works, during the time of my hon. friend from St. John (Mr. Pugsley), only went so far as to give them a license to dredge in navigable waters.

Mr. J. E. ARMSTRONG: I understood from Mr. Cadwell, president of the Cadwell Sand and Gravel Company, that he was quite willing that any other dredge should go in there and take its share of the material. I am confident that I was right when I asked this Government to cancel that contract in the public interest and allow any person to go there, take sand or gravel and distribute it to the farmers and to the cities and towns at the lowest possible cost. If this Government had been allowed to carry out their good roads policy I feel confident that a portion of the money to be devoted to that purpose could have been invested to the very best possible advantage in Government dredges employed for the purpose of recovering and distributing sand and gravel to people generally in the western peninsula at practically cost. That

was the proposition that I placed before the Government, but unfortunately they had not the means to carry it out. They did investigate it, however, and when the time comes that we have sufficient money set aside for the purposes of good roads, there is no doubt that a portion of it should be applied to the dredging of sand and gravel from the mouth of the St. Clair river. Tens of thousands of yards come down and block the channel. The sand and gravel that comes down to the mouth of the St. Clair river comes from the Canadian shore. A portion of the sand, no doubt, goes to the American shore. I understand from the Minister of Public Works that at present any dredge is at liberty to go on the Canadian part of the river and dredge whatever sand and gravel it pleases, but if, as these hon. gentlemen say, the Cadwell Sand and Gravel Company have an exclusive right, then I would urge upon the Governmnt in the public interest to discontinue that contract and allow any one to go and take sand and gravel and use it for the purposes suggested by the hon. members for West Lambton and West Kent.

Mr. PARDEE: Does the hon. gentleman, then, in view of the circumstances, believe in a duty of 7½ per cent being put upon that commodity?

Mr. ARMSTRONG: As I understand the contract, any person can go there at the present time and obtain a portion of the material. How many dredges other than those used by the Cadwell Sand and Gravel Company are dredging the material at the mouth of the river and disposing of it to farmers and citizens in general? I would like to ask the hon. member for West Lambton and the hon. member for West Kent to be good enough to name any companies which are likely to go to the United States side of the river, obtain this material, pay duty on it, and bring it into Canada. It seems almost absurd to expect that they would do anything of the kind.

Mr. McCOIG: The objection I have to this exclusive right lies in the expensive machinery that it takes to operate this business. No person is going to put thousands of dollars into a dredging outfit to supply sand and gravel, but if we put a duty of 7½ per cent against American concerns, thus preventing them from coming in here with their sand and gravel, it means that we give an exclusive right to these people and they will take advantage of this item and extract from the users of sand and gravel just so much more money.

Mr. J. E. ARMSTRONG: Would the hon. gentleman be good enough to give me the names of one or two American firms which supply sand or gravel in Canadian towns or cities along the border ?

Mr. PARDEE: That is a very specious question. May I answer that question by asking him to answer my question as to whether he is in favour of the 7½ per cent duty ?

Mr. ARMSTRONG: If the hon. gentleman cannot name an American firm that has been delivering sand or gravel at any time on the Canadian side, then surely their argument falls to the ground.

Mr. PARDEE: I take it that the hon. member for East Lambton does approve of the duty of 7½ per cent on this gravel which will now have to be paid under the new tariff, that although he does approve of it he does not like to say so and that he is simply trying to draw a herring across the trail by saying that if we could name other firms which have the right to come in here he might give an answer to my question. What that has to do with it is absolutely beyond my comprehension. Whether two, three or four other firms have the right to come in here has nothing to do with the question. As a matter of fact they have not. It is not so much a matter of what the price is as it is the absolute inability of the people to get the commodity. As the duty amounts to very little in the way of making up the revenue, I should like again to ask my hon. friend if, in view of the fact that the Cadwell Sand and Gravel Company has the exclusive right to take sand and gravel, he is in favour of the 7½ per cent duty.

Mr. J. E. ARMSTRONG: I do not agree with the hon. gentleman that the Cadwell Sand and Gravel Company have the exclusive right.

Mr. PARDEE: If they have not ?

Mr. ARMSTRONG: If they have not, what is the use of it ?

Mr. PARDEE: Then, would the hon. gentleman be in favour of putting on a 7½ per cent duty ?

Mr. ARMSTRONG: I am not here to be cross-questioned.

Mr. PARDEE: Very well; let it go at that.

Mr. ARMSTRONG: The hon. gentlemen opposite have been unable to say that any sand or gravel has been brought from the American side of the river to the Canadian side. If none has been brought in during past years, and if the contract does not hold good, why would you expect that any would be brought in in the future ?

Mr. McCOIG: If the hon. Minister of Finance cannot remove that 7½ per cent duty, would he give us the assurance that if the Cadwell Sand and Gravel Company raises the price to the consumer he will then remove the duty ?

Mr. W. T. WHITE: I am afraid that we are losing sight of the purpose of this tax. This tax is general, and I think it inadvisable to make any exceptions unless they are clearly in the public interest or it is manifestly unfair that the parties paying it should contribute under the circumstances to the war expenditure of this Dominion. Therefore, I say, that the question of whether there is an exclusive privilege or not has no bearing on the matter.

I have laid the full proposals before the House, and they are very general in character. There are a number of exceptions to them, some of which I have mentioned this afternoon. There is no gentleman in this House to whose representation I would be disposed to pay more favourable attention than the hon. member for West Lambton (Mr. Pardee). It is not a matter of dealing with this question abruptly, but I must maintain the principle that the object of this legislation is to obtain revenue, which but for the war it would not be necessary for us to obtain. It is admitted that the quantity of this sand required is comparatively small, and that the taxation upon it will consequently be small. I do not see my way at present—although I would be very glad to look into the matter—to make an exception in this case, because if I make an exception in this case and not upon principle, then I do not see how I can very well refrain from making exceptions in other cases. If the matter were large and if it were vital I would be disposed to give it more consideration, but the amount involved is small and it is extremely undesirable that we should widen the list of exceptions. We are going to need these revenues to meet the financial condition of the Dominion which, as I maintain, has been occasioned in large measures by the war.

Mr. WILCOX: I would ask the hon. member for West Lambton (Mr. Pardee) and the hon. member for West Kent (Mr. McCoig) why the municipalities bordering on the lake that have not applied for shore rights under the provisions of the Beaches and Shores Act passed by the Ontario Government about four years ago. Any municipality can send its township engineer to lay out certain sections along the shore, and after that plan has been confirmed by the Ontario Railway and Municipal Board, all the farmers within the municipality have the right to take sand from the district outlined in the plan. That was done in my township of Rochester, and the farmers are obtaining sand at fifteen cents per load.

Mr. PARDEE: The riparian owner owns the foreshore; the Government has no right to it.

Mr. WILCOX: The water lots are under the jurisdiction of the Government.

Mr. PARDEE: Yes, but the foreshore is owned by the riparian owner.

Mr. WILCOX: No.

Mr. PARDEE: Yes.

Mr. WILCOX: It is owned to the high water mark.

Mr. PARDEE: Yes.

Mr. WILCOX: From the high water mark to a point out about six feet is the water lot which is under the jurisdiction of the province.

Mr. PARDEE: Quite so; but a man cannot take sand from under the water.

Mr. WILCOX: The sand I have reference to drifts in along the lake.

Mr. PARDEE: That belongs to the riparian owner.

Mr. WILCOX: But if the farmers are authorized by the Ontario Railway and Municipal Board to get sand the law gives them the authority to do so and the price is stipulated by an order of the board.

Mr. LAW: During the last two weeks some very harsh and unjust language has been hurled from the Government side of the House against the members of the Opposition, but now the Minister of Finance has seen fit to rebate the duty on fertilizers and on cotton-seed oil, and of that I am very glad. I believe that if the Opposition has accomplished nothing else by what the minister has called obstruction, we will

certainly have the good will of the farmers of the country for having the tariff on these items changed. I am very glad that I can claim some small credit for that, because in the few remarks I made the other day I advocated that the duty should not be raised on fertilizers or on cotton-seed oil. The question of the duty on spirituous liquors will come up again and I do not wish to say anything further about it at the present time. However, I am sorry the minister has seen fit to at all rebate the tax on liquors. I should have been quite willing to have supported a very much heavier tax on liquors had he proposed it.

Mr. CARVELL: I want to present the question of this tax on fertilizers in a little different form from that in which it has been before presented. I do so because in my own constituency probably one-third of all the fertilizers imported into Canada are consumed. The quantity imported does not nearly represent the total consumption, because there are large quantities of these commercial fertilizers manufactured in the maritime provinces, and I am satisfied that our farmers purchase as much of the home product as they do of the imported. I believe I am well within the mark when I say that the fertilizers used by the people in my constituency cost about $400,000 per annum. We are paying on that a ten per cent tax. It is true, as the Minister of Finance says, that this duty existed when the Liberals were in power, but that does not alter the matter, and the tax is there just the same. The consumption and the use of these fertilizers has greatly increased in recent years, and I am satisfied that until 1911, $50,000 or $75,000 would represent the value of fertilizers used in my constituency. The business has gone on, perhaps faster than it should, but be that as it may it means that the farmers of my constituency are paying a tax of $40,000 yearly for fertilizers, and if they do not pay it to the customs house they pay it to the man who compounds the mixture. To show that there is no protection necessary I need only point out that the manufacturer or the compounder of commercial fertilizers in the maritime provinces sells as much of his commodity in the state of Maine as he does in New Brunswick. The last day I was at home a gentleman came to my office and asked me if there was not some way by which he could have the thing arranged so that he could buy a certain grade of fertilizer in the state of Maine which was manufactured in New Brunswick, and bring it back to Canada without paying duty. He took the ground that it being a Canadian product he should have the right to bring it in from the United States free of duty, because as he said: here is an article manufactured not a hundred miles from where I live, then exported to the United States, and if I could go across to the United States and buy it and bring it back I could buy it for four dollars a ton cheaper than I could in Canada. I feel diffident about asking the Minister of Finance to depart from the principle which he feels like following, but I would point out that in this campaign of patriotism and production nothing is more important than the entire remission of the duty on fertilizers.

Mr. J. D. REID: What is it worth per ton?

Mr. CARVELL: It is worth from $40 to $42, and I fear we will have to pay a little more for it this year and get a much poorer grade as we cannot obtain our potashes from Germany.

Mr. HAZEN: Is it sold on analysis?

Mr. CARVELL: Yes, under the Fertilizers Act passed here some six or seven years ago the manufacturer must stamp upon every package the analysis, and the farmer is sufficient of a chemist to know the grade of mixture required for the different crops. I am not going to labour the point, but I only say again that I have tried to show the minister the enormous importance of this question of fertilizers to my own constituency. I am prepared to narrow it down to that, but what is true of my constituency is true of many other parts of New Brunswick. I am satisfied that the entire reduction in this duty would save my farmers $40,000 a year, and would not hurt the manufacturers of fertilizers at all, for a large portion of their output is being sold to the United States at $3 or $4 a ton less than it is sold for to our farmers.

Mr. A. K. MACLEAN: Would the minister tell us what loss of revenue he anticipates from adding bananas to the exempted articles?

Mr. W. T. WHITE: I am unable to say offhand, but I do not think it is a very considerable amount.

Sir WILFRID LAURIER: There is a large importation of bananas.

Mr. WHITE: But on that importation the tax would not produce a very considerable

amount of revenue. The representations made to us by the government of Jamaica were of such a character that we thought we should have regard to them. The tax of 7½ per cent would amount to about three or four cents a bunch of, say, eight dozen bananas. There is a feature of it that is worthy of consideration, but was not the determinating factor with us, and that is that the business is conducted upon a pretty narrow margin of profit from the importer through the wholesaler to the vendor. The revenue, in my judgment, was not sufficiently large to have induced us to change except upon the representations made.

Sir WILFRID LAURIER: My information is that the loss of revenue through this remission of duty will be very large. I do not object to the change; on the contrary, I think it is a wise move not to collect a duty on bananas. They have become an important article of food, especially in the summer time, and on the part of the poorer class. If the figures which I have in my hands are correct the loss of revenue by putting them on the free list would be $2,000,000. That is the statement in the memorial furnished me by fruit importers:

It is estimated by those responsible for the tax that it would give the Government possibly $2,000,000 annually in revenue. These figures are based on the 44,000,000 bunches of bananas imported last year.

However, we all agree that the tax should be removed, and I have nothing more to say on the point. But I would like to take up, one by one, the different items the hon. gentleman has brought up, so that I may understand exactly where we are in this respect. We are all familiar with the resolutions brought down by my hon. friend; we have had them before us for five weeks. But to-day he has brought in a list of changes. The first of these is wild edible berries when imported from Newfoundland. I do not know whether it is worth while to discuss this matter, but I should like to know what that means. Berries are an article of diet, and it would be for the benefit of the consumer to have them admitted free. The use of fresh fruit is so important that I am sure no one will raise objection to this change. The minister stated that these were partridge berries. Are these the only berries that would come from Newfoundland? And can he tell us what the partridge berry is? In my province we know as partridge berry a small berry that grows in a bunch on a plant found in the forest.

Mr. W. T. WHITE: I understand that the Scandinavians in Winnipeg are very desirous of getting these berries. I would not have introduced the amendment but that we were requested to make it by the government of Newfoundland, and it seemed a gracious thing to do. I would say that instead of the $2,000,000 being the expected revenue on bananas, had the change not been made, it would have been $200,000. Of course, I have no doubt that the right hon. gentleman has correctly read the memorial, but there is an error in the figures.

Mr. LAW: I think that the partridge berries referred to are known in other places as the fox berry. They are similar to the Nova Scotia cranberries, but have a flavour of their own. Considerable quantities of them are imported into Halifax.

Sir WILFRID LAURIER: The next article is silk.

Mr. WHITE: Woven labels manufactured in silk come within the terms of the French treaty, and so it was not open to us to impose the duty of 7½ per cent and 5 per cent upon these labels. But the war taxation as we proposed it applied to silk in the gum and spun silk. Therefore, had I not made these changes, the Canadian manufacturer of woven silk labels would have been called upon to pay a duty upon his raw material without any compensating duty upon the finished product entering into competition with him from France. So we have placed silk in the gum and spun silk imported for this manufacture in the list of exemptions.

Sir WILFRID LAURIER: I am not objecting, but I should like to know where that will lead us. The only article of the French treaty relating to silk is the last article in schedule (c) "manufactures of silk or of which silk is a component part."

Mr. WHITE: That would not cover this point, my hon. friend will observe.

Sir WILFRID LAURIER: Exactly, but my hon. friend exempts only silk in the gum, because, he says, it comes under the provisions of the French treaty. Are not all articles of silk affected by the French treaty? Under the proposed tariff all articles of silk will be taxed 7½ per cent; therefore the question arises as to whether or not we can increase duties upon articles which are mentioned in the French treaty.

Mr. WHITE: Some articles of silk, such as sewing and embroidery silk and silk underwear, do not come under the provisions of the French treaty. I understand that silk in the gum and spun silk are the only articles of silk which we need to exempt, for the reasons which I have given. Woven labels manufactured of silk come under the provisions of the French treaty; therefore, unless I place in the list of exemptions raw materials used by the Canadian manufacturer in making these silk products, he would be at a disadvantage compared with the position which he occupied before I brought down these changes.

Sir WILFRID LAURIER: Do I understand that all articles of silk which are mentioned in the French treaty shall not be subject to the new tariff of 7½ per cent?

Mr. WHITE: All articles enumerated in schedule C of the French treaty are exempt from the operations of the 7½ and the 5 per cent tariff. The duties in schedule C are specific and it is not open to us to alter them. I said in my Budget speech that I had regard to the convention with France and to our West India agreements in the proposals which I made.

Mr. A. K. MACLEAN: Upon what principle is coffee taxed and tea exempt? Is there any scientific or plausible reason for the distinction?

Mr. WHITE: Coffee is, no doubt, used generally, but I think that tea is in more general use among the poorer classes of the community than coffee is. In the West more coffee is consumed per head than in the East; of course they consume both tea and coffee. But what we had in view was that tea is, so to speak, the poor man's drink and we were reluctant to impose a duty upon it unless it was absolutely necessary to do so. So far as the present taxation is concerned, it did not appear to us that it was necessary to go that far; nor have I in my mind at the present time the idea that we shall be obliged to resort to taxation upon tea. The hon. gentleman knows that in England the duty upon tea is about 16 cents a pound. We allowed it to remain free; last August we placed a duty upon coffee. I do not know whether it can be said that there is any scientific principle of differentiation.

Mr. A. K. MACLEAN: Tea is the cheaper.

Mr. WHITE: Tea is the cheaper, and is more generally used among the poorer classes. For that reason we thought it advisable to exempt it from the operation of the new tariff.

Mr. LAW: What is the duty on coffee now?

Mr. WHITE: Last August the duty on green coffee was placed at 3 cents; corresponding changes were made in the duties on ground coffee and coffee extracts.

Sir WILFRID LAURIER: Why are manuscripts exempted?

Mr. WHITE: All manuscripts, written or typewritten, are exempt. The Customs Department is unable to place a value upon a manuscript for duty purposes. That is quite obvious; a manuscript may be worth less than paper upon which it is written, because the paper has been spoiled.

At six o'clock the committee took recess.

The committee resumed at eight o'clock, Mr. Sevigny in the Chair.

1. Resolved, that it is expedient to amend Schedule A of The Customs Tariff, 1907, and to strike thereout tariff item 329 and the enumeration of goods set opposite said item, and to provide that the following items, enumerations and rates of duties, if any, be inserted in said Schedule A:

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
90a. Wild edible berries, n.o.p.	Free.	Free.	Free.
118a. Squid.	Free.	Free.	Free.
209b. Nicotine sulphate.	Free.	Free.	Free.
329. Ores of metals, n.o.p.	Free.	Free.	Free.
329a. Iron ore.....per ton.	6 cents.	8 cents.	8 cents.

2. Resolved, that it is exepdient to amend The Customs Tariff, 1907, by providing that:

(1) There shall, in addition to the duties of Customs otherwise established by Schedule A to The Customs Tariff, 1907, and Orders in Council amending Schedule A, be levied, collected and paid upon all goods enumerated, or referred to as not enumerated, in Schedule A, except as hereinafter provided, when imported into Canada or taken out of warehouse for consumption therein, the several rates of duties of Customs herein specified:

British Preferential Tariff	5 p.c.
Intermediate Tariff	7½ p.c.
General Tariff	7½ p.c.

(2) There shall be levied, collected and paid upon all goods enumerated as being free of duty in Schedule A and in Orders in Council amending Schedule A, except as hereinafter provided, when imported into Canada or taken out of warehouse for consumption therein, the several rates of duties of Customs herein specified:

British Preferential Tariff	5 p.c.
Intermediate Tariff	7½ p.c.
General Tariff	7½ p.c.

Provided, however, that the following goods shall be exempt from the foregoing provisions:

(a) goods admitted into Canada free of Customs duty under the provisions of Sections 8 and 9 of the Customs Tariff, 1907;

(b) goods enumerated in Schedule C of the French Convention Act, 1908;

(c) goods imported to be used in the manufacture of mowing machines, harvesters, self-binding or without binders, binding attachments, reapers, and complete parts thereof, under regulations by the Minister of Customs;

(d) goods imported to be used in the manufacture of binder twine for harvest binders, under regulations by the Minister of Customs;

(e) articles imported to be used in the manufacture of goods enumerated in Tariff Item 682 in Schedule A, under regulations by the Minister of Customs;

(f) anthracite coal and anthracite coal dust;

(g) bacteriological products or serum for subcutaneous injection;

(h) vaccine and ivory vaccine points;

(i) pressed felt, elastic webbing and hollow blocks of wood imported to be used in the manufacture of artificial limbs;

(j) steel imported to be used in manufacturing rough unfinished parts of rifles, when such parts are to be used in rifles to be made for the Government of Canada;

(k) fabrics of which silk is the component material of chief value imported to be used in the manufacture of neckties;

(l) silk in the gum or spun silk imported to be used in the manufacture of woven labels;

(m) manuscripts;

(n) bananas;

(o) acid phosphate of lime, sulphate of ammonia, nitrate of soda, muriate and sulphate of potash, imported to be used for fertilizing purposes;

(p) cotton seed cake and cotton seed cake meals;

(q) goods enumerated in the following Tariff Items in Schedule A: 1, 2, 3, 19, 20, 20a, 21, 22, 23, 28a, 29a, 39b, 40, 55, 60, 61, 66, 77a, 101a, 118a, 129, 132, 134, 135, 142, 143, 144, 145, 153, 164, 169, 171, 172, 173, 174, 175, 176, 178a, 180a, 184, 196, 201, 209b, 329, 329a, 348a, 352a, 359, 360, 369, 373, 441, 443, 445, 445a, 446a, 464, 466, 466a, 470, 483, 544, 544, 576, 595, 596, 676, 682, 688, 689, 689a, 690, 690a, 691, 692, 692a, 693, 694, 695a, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708 and 709.

Provided, also, that excise duties shall be disregarded in estimating the market value of goods for the purposes of this amendment of The Customs Tariff, 1907.

Provided, further, that the duties of Customs collected and paid under the provisions of this Section shall not be subject to drawback under Schedule B.

3. Resolved, that any enactment founded on the foregoing resolutions shall be deemed to have come into force on the twelfth day of February, 1915, and to have applied to all goods mentioned in the foregoing resolutions, imported or taken out of warehouse for consumption on and after that day, and to have also applied to goods previously imported for which no entry for consumption was made before that day.

Mr. A. K. MACLEAN: Has the Finance Minister classified in any way the revenue which he expects to get from the customs amendments? I should like to have a rough idea of the amounts he expects to get under the different headings.

Mr. W. T. WHITE: I can only deal with that in a general way. Upon the returns for the fiscal year 1914, the taxation at 5 and 7½ per cent, after making allowances for the exceptions, would run to something over $30,000,000.

Mr. A. K. MACLEAN: That is the whole thing, special taxation and customs?

Mr. WHITE: No, $30,000,000 for the taxation of 5 and 7½ per cent customs; but as the revenues have fallen off, owing to the war and other causes, we have made a deduction from that amount, and, speaking from recollection, my estimate in the Budget speech was that we should raise from $20,000,000 to $25,000,000 from the imposition of the general taxation by customs duties. That would necessarily be subject to this; that it is not possible for me or any one else to foresee what the war may bring forth in the way of interruptions of trade, trans-Atlantic or trans-Pacific trade; and in giving that estimate I qualified it, as I did my August estimate, by saying that I naturally submitted it with a great deal of diffidence, because it was not possible to forecast what the future would bring forth.

Mr. A. K. MACLEAN: That is, you estimate it in the gross upon the increased ad valorem duties based upon the bulk of importations for the past year?

Mr. WHITE: Yes.

Mr. W. M. MARTIN: I should like to ask the minister why more exceptions have not been made in the line of agricultural implements. The only exceptions are reapers, mowers and binders. As far as those items are concerned, the minister knows and the Trade and Navigation returns show that there is very little importation in any event, and if the 7½ per cent duty were added the importation would cease. There is no doubt about that. It seems to me that there is very good reason why the 7½ per cent is not added to reapers,

mowers and binders, for if the tariff was any higher the importation would practically cease. The tariff this year is 12½ per cent, and last year it was 17½ per cent. I should like to point this out to the minister. The information, I suppose, will not be available until the Trade and Navigation returns for the year 1914-15 are published, but I am informed on the very best authority that the reduction last year of 5 per cent on those three items, mowers, binders and reapers, was more than equalized by the increase in the valuation of those implements.

Mr. J. D. REID: Did the hon. gentleman say that there was an increase in the valuation?

Mr. MARTIN: I have been so informed on the very best authority.

Mr. REID: I say there has been no increase in the valuation.

Mr. MARTIN: I must accept the minister's word, but I have been informed by implement dealers in western Canada who import these goods that the valuation of the ordinary eight-foot binder has since March 31, 1914, been increased by $22.

Mr. REID: That is not in accordance with the facts. Perhaps my hon. friend is referring to the case of Hutchinson, who was given an interview to some of the papers.

Mr. MARTIN: I am not referring to newspaper interviews at all. The information comes to me from implement dealers in the city of Regina. If the minister assures me that there has been no increase in the valuation, I must accept his statement.

Mr. REID: The International Harvester Company and all the other implement manufacturers on the other side of the line submit their price-lists to the Department of Customs each year, and it is on that valuation that the customs duties are collected. The hon. member will find that an answer was given in Hansard a few days ago showing there has been no increase in any shape or form in the valuation of agricultural implements, except in the case of Hutchinson, of the John Deere Plow Company. This company was importing binders into Canada at a valuation less than the home market price in the United States. Our appraiser learned of this and brought it to the attention of the department. The valuation was made equal to the home market prices in the United States, and that did not increase the price to the farmers of Canada, for this reason: the John Deere Company's selling price in this country is just the same as that of the International Harvester Company and of other companies. The only thing is that before we made this change the John Deere Plow Company were making a much greater profit out of their binders by having them valued at $20 to $22 less than what they should have been. I know of no other case.

Mr. MARTIN: Has the valuation of the John Deere Plow Company's binder been increased?

Mr. REID: The price of the John Deere Plow Company's binder has been placed on the home market basis in the United States just the same as that of the International Harvester Company and other concerns. That is in accordance with the statute. The John Deere Plow Company were entering their binder at a price based on the cost of production at the factory.

Mr. MARTIN: At the cost price?

Mr. REID: At the cost price. The International Harvester Company were paying duty on the selling price on the other side of the line, whereas the John Deere Plow Company were getting their implements in at cost price and they were making a very much larger profit than the International Harvester Company who were paying the duty on the home market price. That is the only case I know of where the valuation was raised, but it was on account of these parties undervaluing their implements contrary to the provisions of the Customs Act. If the hon. gentleman has any other case to bring to my attention I will be very glad to explain it or find out if there is any reason why he should make such a statement.

Mr. W. M. MARTIN: I would like to find out from the minister if the basis of valuation on agricultural implements, and, I suppose other things, is the selling price in the country of production.

Mr. REID: If the hon. gentleman reads the Customs Act he will see that it provides that the valuation for customs duties shall be the price for home consumption. We get the home consumption price from the price list that is issued to the trade throughout the country from which the goods are being exported to Canada. In the case of agricultural implements, the International Harvester Company and others have their printed price lists which they submit to

the trade and it is on that basis that we must, under the law, collect the duty.

Mr. W. M. MARTIN: I have seen some of the price lists of the implement companies and in them are set forth the price that they charge what you might call the jobber and also the retail price at which the jobber sells to the consumer. Is the price on which the duty is collected at the boundary the list price at which the company sells to the jobber or the price at which the jobber sells to the farmer in the United States?

Mr. REID: The duty is collected on the wholesale price as set forth in the price list, say, of the International Harvester Company. That is if they are selling to a concern in Canada. Suppose they were selling a carload of binders to a firm in Regina, they would invoice that carload at these prices and we would collect the duty on them. If they were to sell a carload to some concern in the United States and that firm retailed them out, the duty would be collected on the price at which the last sale was made if there was one binder brought in. If any person at Regina or any other place in the West were to buy from the International Harvester Company at the wholesale price wherever the goods are manufactured that would be the valuation upon which duty would be collected by the Customs Department.

Mr. W. M. MARTIN: Then the situation is just about wh t I thought it was. The duty is charged on the invoice price to the importer in western Canada. That being the provision I can readily understand how the difference in the price of implements exists in the province of Saskatchewan as compared with the price in the states immediately south of that province. The same situation occurs in Manitoba and Alberta. I had a good opportunity last summer to investigate the question of the relative price of implements in the southern part of Saskatchewan, or in any part of Saskatchewan, and in the states of the American Union bordering on Canada. From the information I got last summer, this information being in the form of sworn evidence given before a commission, I know it to be absolutely the case, and I do not think there is a single exception to what I say, that the prices of implements, wagons and all kinds of things used by the farmers in the province of Saskatchewan are from 15 to 20 per cent higher than they are in the states of North Dakota, Minnesota and other states immediately adjoining Canada. I remember last year reading in Hansard—I was not here when the debate occurred—

Mr. W. H. SHARPE: Does my hon. friend refer to binders as well?

Mr. MARTIN: Binders as well.

Mr. SHARPE: My hon. friend is mistaken.

Mr. MARTIN: I have evidence on the question. Last summer farmers came before the Implement Commission appointed by the Saskatchewn Government and gave evidence to the effect that the prices that they had paid for 8-foot and 6-foot binders in the states from which they had come and evidence of the prices which they had paid for International Harvesters, John Deere and Massey-Harris binders in the province of Saskatchewan. That evidence was given before a commission appointed by the Government of Saskatchewan for the purpose of investigating certain things in connection with the sale of agricultural implements. It is true that the question of price was not the question that was primarily brought before the commission but in almost every case, particularly in southern Saskatchewan, where a farmer came before that commission his first statement, particularly if he were a man who had come from the United States, was that the price of implements was far higher in Saskatchewan than it had been in the states bordering upon Canada. From the province of Ontario farmers gave evidence in regard to the comparative prices in Ontario and Saskatchewan, the prices in Saskatchewan being higher. That may be perfectly justifiable from the manufacturers' standpoint because we must pay freight on these binders, or whatever the machinery may be, from the point of manufacture in Ontario to the point of delivery in Western Canada and there must be some difference in price there. It is absolutely beyond doubt that there is a remarkable difference between the prices of implements in Saskatchewan and in the states to the south of the boundary line. My hon. friend from Lisgar (Mr. Sharpe) knows that that is the case in respect to the province of Manitoba. It is absolutely true that the prices of implements in Saskatchewan, Manitoba and Alberta are, without any exceptions that I know of, higher by from 15 to 20 per cent than the same implements sell for in the states of the American Union immediately adjoining Canada.

Mr. W. H. SHARPE: I do not know anything of the kind. I know that the prices in North Dakota are very little less than they are in Manitoba.

Mr. MARTIN: They are a little less?

Mr. SHARPE: They are a little less—not 5 per cent.

Mr. MARTIN: That is the only case that my hon. friend can mention where the price comes anywhere near approximating the price charged in Manitoba. These articles come to mind in connection with the tariff on agricultural implements. We had this afternoon a statement from the Minister of Finance in respect to fertilizers. In Saskatchewan and in the other western provinces we do not use fertilizer to any great extent. At the same time, fertilizer is a very important thing to farmers in certain portions of Ontario, Quebec, Nova Scotia and New Brunswick and agricultural implements, as far as the provinces of Saskatchewan and the other western provinces are concerned, are just as important to the farmers there as fertilizers are to the farmers of eastern Canada. If the Minister of Finance is justified in taking the duty off fertilizers for the benefit of the farmers of eastern Canada, why is he not justified in allowing the tariff to remain as it is at present on agricultural implements for the benefit of the farmers of western Canada? The patriotism and production campaign has been conducted chiefly in western Canada. There has been more talk about it in western Canada in so far as the production of wheat is concerned than in any other part of the Dominion. In western Canada, no matter whether we live in cities or towns, or in the country, we know that we are absolutely dependent for our success in the future on the success of the farming population.

We have not at the present time many manufacturing institutions in Regina, but the time may come when we shall, and I have no doubt the people of western Canada would be willing to extend to them a certain amount of consideration in the way of tariff. It appears to me that the Minister of Finance is not treating the farmers of western Canada fairly when he increases the duty on agricultural implements 7½ per cent. This is a case where, in my opinion, exception might very well be made, as was made in the case of fertilizers. Excluding mowers, reapers, and binders, which pay a duty of 12½ per cent, I find from the Trade and Navigation returns that on the implements imported into Canada last year the duties ranged from 17½ per cent to as high as 29·17 per cent.

Mr. W. H. SHARPE: Were many mowers, reapers, and binders imported into Canada last year?

Mr. MARTIN: The number of mowers imported was small. Of reapers during the year 1913-14, only $38,000 worth was imported, and the duty paid was $6,702 or 17½ per cent. There was imported $336,675 worth of binders, on which the duty paid was $58,918 or 17½ per cent. But on a large number of agricultural implements, which are used pretty nearly as much as mowers, reapers and binders, the duty paid ranged from 17½ per cent to 29·17 per cent. If you add 7½ per cent to this you will have a duty ranging from 25 per cent to 32½ per cent, which is a fairly large tax on implements that are used by every farmer. In the case of a number of these implements there is practically no importation, so that the Minister of Finance will have no results if he has increased the duty on them for the purpose of raising revenue. I have never had very much objection to a tariff imposed from the standpoint of raising a revenue. It has been stated throughout this debate that the Liberal party has always stood for free trade; you will find free traders in the Liberal party, and in western Canada you will find free traders in the Conservative party. Some hon. members on the other side have accused me of attempting to raise issues between the East and the West, but I declare here that I have never adopted such a course. I have on several occasions stated that I believe in a tariff for revenue purposes, but that I did not believe in imposing a tariff from the standpoint of protection. I believe that the present tariff on agricultural implements, with this increase of 7½ per cent, is a protective tariff. I also stated in this House some years ago that the proper way to frame a tariff was to pick out a large number of the items consumed by every man, woman and child in this country, put them on the free list, and then tax the luxuries. Under this rule agricultural implements would be placed on the free list. I have no objection to the Minister of Finance taxing automobiles as high as he wants to, and the duty on automobiles under this tariff will be 42½ per cent. If a man can afford to pay $2,500 for an automobile, he can pay a few hundred dollars more in duty or he should not want the

machine. I submit to the Minister of Finance that to do as he has done, namely, to take every article consumed by the farmers and by the labouring people, or used in their daily avocations, and to place an increase of 7½ per cent duty on these articles, is not a scientific way to create a tariff. It certainly is not done with a view to placing the burden where it belongs; it is putting the burden on the agriculturist and on the working man who are least able to bear it. As I have said, there are a large number of agricultural implements which at the present time are not imported because of the high tariff, and to place an extra tariff of 7½ per cent on them will certainly not bring in any revenue. I appeal to the Minister of Finance to leave the tax on agricultural implements as it was before this new tariff was brought down.

Mr. W. T. WHITE: I agree with the hon. member for Regina (Mr. W. M. Martin) that it is undesirable that we should discuss at this stage and at this time the general question of the duty upon agricultural implements. While it is probably true that fertilizers are not of much importance in the prairie provinces, yet they may become so in the future. My hon. friend will admit that mowing machines, harvesters, self-binders and reapers are of probably more importance to the West than to the other sections of Canada, but he has overlooked the fact that in imposing an increase to the general and British preferential tariff upon practically the whole range of goods covered by our fiscal legislation, we have allowed reapers, and binders, and harvesters to remain at the rate of 12½ per cent, to which they were reduced by this Government last year, the previous rate of duty having been 17½ per cent. I have on former occasions dealt with this question of the duty on agricultural implements quite frankly, and if my hon. friend will look at my remarks on the subject during the last regular session of this House, he will have my views. I looked into the question very carefully at the time, and I set forth my opinion with regard to the propriety of the tariff upon the facts of the investigations which I had made. My hon. friend knows that there is a general drawback in respect of duties paid by manufacturers upon exported goods, and that with regard to reapers, binders and mowers there is in addition to that a drawback upon duties paid upon articles which are manufactured for domestic use in Canada. Therefore, this year, by reason of preserving that drawback I was enabled to leave the duty on harvesters, reapers, binders and mowers at 12½ per cent to which it had been reduced last year. As to the other range of agricultural implements to which the hon. gentleman calls attention, he is no doubt aware that there is no drawback to their manufacturers in respect of the duty they pay on raw material entering into their production in so far as the goods are sold in Canada. I pointed out in the course of the Budget debate that in approaching this question of raising additional revenue it became necessary for me to tax free goods and raw materials in order to increase our revenue. It is true, as my hon. friend has said, there are certain items in the tariff upon which with the increase of duties we are not likely to get increases in revenue. I calculate that, by reason of our imposing a duty upon free goods and raw materials, and also upon the finished article we shall add substantially to our revenues for the year.

Now, it follows from what I have said that, with the increase of duty upon iron, steel, lumber and other articles entering into the manufacture of the agricultural implements to which I now particularly refer, it will be obvious to my hon. friend who is acquainted with the principle of the adjustments we have to make in connection with the tariff, that the duty will have to be increased on the finished product. That was recognized by my predecessor whom I quoted last year, and it was my predecessor who gave the drawback to manufacturers on harvesters, reapers, binders and mowers of duties which they had paid on raw material entering into the products which they manufactured for home consumption. I think the differentiation between the two classes of agricultural implements will be obvious to my hon. friend. Where I was duties which they had paid on raw material not having been increased by these tariff proposals, I allowed the tariff to remain as it was. With regard to the other range of agricultural implements to which he has referred it will be obvious to him that it was necessary to increase the duties upon them by reason of the fact that we are increasing the duties on iron, steel, wood and other raw material that enter into the manufacture for home consumption. Among the largest imports into Canada have been those in the iron and steel schedules; and therefore it might be expected that we should derive a very substantial revenue from the imposition of these duties of 7½

per cent and 5 per cent upon articles embraced in that category.

I think I have dealt sufficiently with what my hon. friend has drawn to our attention. I desire only to add that while we have left reapers, binders, mowers and harvesters at 12½ per cent, we have kept binder twine on the free list as before, and also ditching-machines, of which there is no manufacture in Canada.

Mr. CARVELL: I should like to have made some observations on this subject before the minister replied to the hon. member for Regina (Mr. W. M. Martin). I endorse everything that was said by the hon. member for Regina, and would also point out to the Minister of Finance something which, perhaps, has already been called to his attention. This question of agricultural implements is discussed wholly from the standpoint of the western farmer. But there are other classes relatively as important. They do not produce as much for export as the western farmer, but they do produce and support their families on their farms. There is just as large a population in eastern Canada supported by agriculture as in western Canada. In my own province, whose inhabitants are altogether an agricultural people, we find ourselves much hampered by this tariff. I can understand the argument of the Minister of Finance that in the case of all the agricultural implements other than those on which the tariff was reduced last year, the manufacturer has to pay duty on the raw material. Therefore, argues the hon. gentleman, the manufacturer should have a greater protection upon the finished product. I am not going to quarrel with that. But I am afraid that the minister has unduly magnified the amount which the manufacturer must pay on his raw material in order to bolster up his case for claiming the right to charge the consumer in eastern Canada the enormous prices he does. In my own province, as I have mentioned both yesterday and to-day, the great article of agriculture is potatoes. It may be that our people are wrong from an economic standpoint in going so heavily into the cultivation of potatoes. But they are doing it, and it is not within the power of myself or the Minister of Finance to interfere. They have thought the matter out, and they feel that they can make a better revenue with potatoes than with anything else. Now, they carry on this business in the maritime provinces on a large scale. They have to have machines for this work. It may surprise the Minister of Finance to know how much the ordinary farmer in my constituency invests in these machines. He must have a reaper and in many cases a binder, though I realize that they are not nearly so important as in the West and also that in the East they buy a smaller machine. In addition they must have machinery to carry on their potato business and in this machinery they must invest from $300 to $400 and in some cases as much as $500. They must have, in the first place, a planter. The seed is placed in the hopper on this machine, and the machine makes the track, places the fertilizer, plants the potato and covers it up. You could never plant twenty acres of potatoes in the manner in which the Minister of Finance planted them when a boy—

Mr. W. T. WHITE: I planted many of them in that way.

Mr. CARVELL: Not to the extent of twenty acres.

Mr. WHITE: No.

Mr. CARVELL: If he wanted to cultivate twenty acres he could not do it with the old drill method. This potato-planter will cost the farmer about $100. Then he has to have a wheel cultivator; you cannot get along without that; and it will cost from $40 to $50. Then he must have a power-sprayer, a machine to put on the Bordeaux mixture to protect the plants from fungous diseases and the poison to get rid of the potato-bugs, and that machine will cost $120. Then he must have a digger and that will cost another $110 or $120. And on all these machines the producer of potatoes had to pay, before this new tariff was introduced twenty or twenty-five per cent. He does not usually pay the duty to the custom house—for there is very little importation and the machines are manufactured very largely in Canada. Now, take the case of a digger, which, perhaps, is the least complicated piece of machinery on a man's farm. It costs about $120—it will cost more in future. It is nothing but a heavy piece of machinery on wheels like a mowing-machine. It has a spade which goes into the ground and there is a sort of elevator concern that carries the potatoes up, riddles the load and throws out the potato in one place and the earth in the

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other. The machine, weighs probably 500 pounds.

I suppose the iron in a potato digger would not cost the manufacturer more than $10. The duty upon that iron would be $2 or $3, which would represent the total tax paid by the manufacturer upon that article. The manufacturer has under present conditions a protection of 25 per cent upon that potato digger, which costs the consumer $110. My hon. friend is now making him pay 7½ per cent more, so that he will have to pay 32½ per cent on it if he imports it and 32½ per cent protection if he does not,—and this for an article without which he cannot possibly carry on the work of his farm. What applies to potato diggers applies also to sprayers, planters, cultivators. I do not understand why the minister reduces the duty upon mowers, reapers and binders down to 12½ per cent and leaves the duty on these articles which I have mentioned at from 20 to 25 per cent. We are all desirous that production should be increased; on this point hon. gentlemen opposite are as sincere as we are and we are as sincere as they at a time when we are trying to stimulate production, why should there be imposed upon these articles a tax so high that the farmer of the maritime provinces will find it difficult to go on doing business? By the imposition of this tax you are adding $30 or $40 to the amount which the farmer will have to pay upon the machinery which he must purchase in order to carry on his work. What is true of the articles which I have mentioned is also true of other articles which the farmer must use on his farm: ploughs, wagons and things of that kind, which have been referred to by the hon. member for Regina. I do not feel that I would be doing justice to myself, to my constituents or to my province if I were to allow this discussion to go by without pointing out to my hon. friend the great injustice of these proposed duties. I give him credit for reducing the duty upon fertilizers down to the point where it was before this tariff was introduced; I am sorry that he could not see his way clear to make it free. Having admitted the necessity for making as easy as possible the conditions under which the agriculturists of this country must work, so far as fertilizer is concerned, why should he not withdraw the operation of this tariff from all the other agricultural implements, no matter what they may be? If 12½ per cent is a sufficient protection for the manufacturers on mowers, binders and reapers, I do not see why 20 or 25 per cent should not be sufficient so far as other classes of machinery are concerned. But my hon. friend is not satisfied with the duty of 20 or 25 per cent; he is adding 7½ per cent to that. It is unreasonable; it is illogical. It is simply hitting a man in the back; it is giving him no opportunity of defending himself; it is putting him at the mercy of the Canadian manufacturer, who will in every case make him pay the difference. The machines which I am talking about are manufactured in the United States in very large quantities; up to three or four years ago practically all these articles were imported. The Canadian manufacturers are now producing them at a price sufficiently low not to necessitate their being imported from the United States. They are getting the business, but they are getting practically the whole of the protection. I do not know whether or not I have succeeded in convincing my hon. friend to a sufficient extent to induce him to remove this extra duty, but surely I have convinced him that it ought to be done. And if he is convinced that it ought to be done, I indulge in the hope that my hon. friend will, even as he has refrained from applying this extra duty to mowers, reapers and binders, remove the additional taxes from the other agricultural implements to which I have referred.

Resolutions reported.

On motion of Hon. W. T. White, the House went into Committee to consider the following proposed resolutions, Mr. Sevigny in the Chair:

Resolved, That it is expedient to provide:

1. That each bank to which the Bank Act applies, exclusive of banks in the course of winding-up, shall pay for Consolidated Revenue Fund quarterly a tax equal to one-fourth of one per cent upon the average amount of the notes of the bank in circulation during the three months preceding, the greatest amount of notes in circulation at any time during each of the three months being the basis of the average, provided, however, that where the greatest amount of notes in circulation exceeds the amount of the paid-up capital then an amount equal to the paid-up capital shall be the basis used in calculating the average;

2. That every loan and trust company incorporated under any legislative authority, including the banks subject to the Quebec Savings Banks Act, 1913, shall pay for Consolidated Revenue Fund a tax of one per cent, upon the gross amount of

(a) interest, the property of the company, from loans and investments in Canada and

(b) income, other than interest, on business transacted within Canada received by the company on and after the first day of January, 1915;

3. That every insurance company other than life and marine companies, fraternal benefit

societies and purely mutual companies shall pay for Consolidated Revenue Fund a tax of one per cent upon the net premiums received by the company in Canada on and after the first day of January, 1915;

4. That every cable and telegraph company shall pay for Consolidated Revenue Fund a sum equal to one cent upon each despatch or message other than press despatches or messages originating at the offices of the company in Canada and transmitted thence over the company's lines for which a charge of fifteen cents or more was imposed, the company having the right to charge the one cent to and collect the same from the person paying or liable to pay the regular charges for the transmission of the despatch or message;

5. That every purchaser of

(a) a ticket or right entitling the purchaser to transportation over a railway to any place in or outside of Canada;

(b) a ticket or right entitling the purchaser to transportation by vessel between ports or places in Canada or from a port or place in Canada to a port or place in Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States;

(c) a ticket or right entitling the purchaser to transportation over a railway and by vessel to a port or place in Canada, Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States, whether such transportation be by railway and vessel, or by vessel and railway, or by railway, vessel and railway;

shall, in addition to the regular charge for the ticket or right, pay to the person selling the ticket or right, for the Consolidated Revenue Fund, in respect of a ticket or right costing—

(i) over one dollar and not more than five dollars, five cents;

(ii) over five dollars—for each five dollars and in addition for any fractional part of five dollars, five cents;

6. That every purchaser of a berth in a sleeping car or seat in a parlour car shall, in addition to the regular charge for the berth or seat, pay to the person selling the berth or seat for the Consolidated Revenue Fund—

(a) ten cents in respect of each berth bought;

(b) five cents in respect of each seat bought;

7. That every purchaser of a ticket or right entitling the purchaser, either with or without intervening transportation, to transportation by vessel from a port or place either in or outside of Canada to a port or place outside of Canada other than in Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States shall, in addition to the regular charge for the ticket or right, pay in respect of the transportation by vessel to the person selling the ticket or right for the Consolidated Revenue Fund—

(a) the sum of one dollar if the amount chargeable for such transportation by vessel exceeds ten dollars;

(b) the sum of three dollars if the amount chargeable for such transportation by vessel exceeds forty dollars;

(c) the sum of five dollars if the amount chargeable for such transportation by vessel exceeds sixty-five dollars;

8. That no person shall issue a cheque payable at or by a bank unless there is affixed thereto an adhesive stamp, or unless there is impressed thereon by means of a die, a stamp of the value of two cents;

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9. That no person shall transfer a bill of exchange or promissory note to a bank in such manner as to constitute the bank the holder thereof or deliver a bill of exchange or promissory note to a bank for collection unless there is affixed thereto an adhesive stamp, or unless there is impressed thereon by means of a die, a stamp of the value of two cents;

10. That no person shall sign a receipt for money paid to him by a bank chargeable against a deposit of money in the bank to his credit until he has affixed to the receipt an adhesive stamp, or unless there is impressed thereon by means of a die, a stamp of the value of two cents;

11. That no cheque or other bill of exchange shall be issued or paid by a bank unless there is affixed thereto an adhesive stamp, or impressed thereon by means of a die, a stamp of the value of two cents;

12. That every bank having in possession in Canada, any promissory note, cheque or other bill of exchange made or drawn out of Canada on which a stamp has not been affixed or impressed shall, before payment or presentment for payment, if the same is payable in Canada, affix thereto an adhesive stamp of the value of two cents and the value of the stamp so affixed shall be payable to the bank by the person entitled to the proceeds of the note, cheque or bill;

13. That every express company carrying on business in Canada, shall, before the issue of a money order or traveller's cheque, affix thereto a stamp of the value of two cents chargeable to the purchaser of the order or cheque or to the payee thereof;

14. That no money order or postal note shall be issued under the provisions of the Post Office Act until there is affixed thereto a postage stamp of the value of two cents and one cent respectively to be paid for by the purchaser of the order or postal note, and upon such stamp there may be printed or impressed the words "war tax";

15. That on every letter and post card for transmission by post a tax of one cent shall be levied and collected, such tax to be payable by affixing to the letter or card a postage stamp of that denomination, upon which there may be printed or impressed the words "war tax";

16. That every person by whom goods are received—

(a) to be exported or carried coastwise, or

(b) to be transported by railway,

shall in every case in which a charge for freight or expressage exceeding five cents is made attach to the bill of lading or other evidence of receipt a stamp to be furnished by the shipper or consignor of the value of two cents;

17. That every person selling to a consumer a bottle or package containing

(a) a proprietary or patent medicine,

(b) perfumery,

(c) wine, non-sparkling,

(d) champagne or sparkling wine,

shall affix to every such bottle or package a stamp of the value hereinafter set out :

Article.	Stamp of the value of
(a) A proprietary or patent medicine,	
(b) Perfumery,	
The retail price for each bottle or package thereof being—	
twenty-five cents or less..	1 cent.

Article.	Stamp of the value of
More than twenty-five cents— For each twenty-five cents and in addition for any fractional part of twenty-five cents..	1 cent.
(c) Wine of the grape, non-sparkling, each bottle or package containing—	
One pint or less..	3 cents.
One quart or less, but more than one pint..	5 cents.
A quantity greater than one quart— For each quart and in addition for any fractional part of a quart..	5 cents.
(d) Champagne or sparkling wine, each bottle or package containing—	
One-half pint or less..	13 cents.
One pint or less but more than one-half pint..	25 cents.
A quantity greater than one pint— For each pint and in addition for any fractional part of a pint..	25 cents.

18. That the provisions of any Act founded on these resolutions in so far as such provisions relate to wine, non-sparkling, champagne and sparkling wine, shall be deemed to have come into force on the twelfth day of February, 1915.

Mr. W. T. WHITE: Certain modifications have been introduced in the resolution of which I gave notice, relating to the special taxation referred to in the Budget. They are as follows:

Purely mutual insurance companies are exempted from the tax of 1 per cent upon net premiums. There are agricultural insurance companies of a purely mutual character; we are exempting them from the special taxation.

Mr. PUGSLEY: Mutual fire insurance companies ?

Mr. WHITE: Purely mutual fire insurance companies.

Press despatches are exempted from the one-cent charge payable on messages sent by cable and telegraph companies.

Steamship tickets on Atlantic seaboard. The one per cent charge on the cost of such tickets is enlarged to include all the West India islands instead of the British colonies in the West Indies, as stated in the resolution of which I gave notice. British Honduras has also been added.

Ocean passenger tickets. By the resolutions referred to in the Budget, an ocean passenger ticket costing $30 was subject to a tax of $3. By the new resolution the $30 has been increased to $40. By the first resolution an ocean ticket costing $60 was subject to a tax of $5. The $60 has been increased by the new resolution to $65. I shall explain the reason for that later on.

Promissory notes. Promissory notes, discounted or sent for collection through a bank, are made subject by the new resolution to the stamp tax of two cents. Promissory notes were not made subject to the new tax along with cheques and bills of exchange by the first resolution.

Patent medicines and perfumery. The stamp tax of one cent on each 10 cents of retail value has been changed in the new resolutions to one cent on each 25 cents worth of retail value, a reduction from 10 per cent to 4 per cent.

Wines, non sparkling. By the first resolution, each one quart or less was subject to five cents stamp tax. That is changed by the new resolution so that a pint or less should have a stamp of only three cents.

Champagne. By the first resolution, each pint or less was to bear a stamp tax of 25 cents. That is changed so that a half pint or less shall pay only 13 cents. There are half pints of champagne which are not especially referred to in the first resolutions.

These are the changes which are embodied in the new resolutions which I shall now hand to the chairman.

Mr. A. K. MACLEAN: By which section is the promissory note added as being taxable, section 8?

Mr. WHITE: When I had under consideration the resolutions relating to the stamp tax on bills of exchange. I considered also the question of imposing a stamp tax on promissory notes. It occurred to me at the time it would be undesirable that that should be done because promissory notes are very common instruments passing between individuals in all parts of the Dominion, and it would be difficult to institute a system of taxation on such promissory notes. We therefore determined that we would limit the taxation of two cents imposed by stamp tax to bills of exchange negotiated through a bank and to cheques. It has been pointed out to us, and we recognized the force of the statements made, that the Act could be evaded so far as it related to bills of exchange negotiated through banks unless the taxation were also imposed upon promissory notes negotiated at or through banks.

Mr. CARVELL: This would be an increase?

Mr. WHITE: Yes, and if desired I can let this stand as a notice of motion until to-morrow.

Mr. MARCIL: Will the man who makes out the cheque have to put on the stamp or the bank?

Mr. WHITE: The maker of the cheque is obliged to put it on, but if he does not the duty is imposed on the bank of seeing that it is put on.

Mr. MARCIL: A special stamp will be provided for the purpose?

Mr. WHITE: Yes.

Mr. LAW: Do I understand that a note passing between individuals which does not go through a bank does not need to have the stamp on it?

Mr. WHITE: No, we have omitted those.

Mr. LAW: And bills of exchange the same way?

Mr. WHITE: Bills of exchange between individuals, but to bills of exchange negotiated through a bank the stamp applies.

Mr. PUGSLEY: The minister has announced some changes in the resolution. Would he be good enough to explain why life and marine insurance companies were excepted? Clause 3 provides that every insurance company other than life and marine companies and fraternal benefit societies shall pay a tax. I could understand why fraternal benefit societies might very well be excepted, but why life and marine companies should be exempted and fire insurance companies be obliged to pay, I am not quite able to understand.

9 p.m.

Mr. WHITE: I had a much larger range of companies under consideration for special taxation than appeared in the resolutions now before the Committee. I considered very carefully the question of imposing a tax on life insurance companies, and discussed it with our Insurance Department very fully. My hon. friend is aware that there are fraternal benefit societies, and it did not appear desirable that they should be taxed because the taxation would fall upon their policy-holders. That is also true in the case of the life insurance companies carrying on an ordinary business, because there is a division of profit. My hon. friend knows that there are charges loaded upon the policies. And then there are mutual life insurance companies. It did not appear to me, giving the matter the best consideration of which I was capable, that it would be advisable that this taxation should fall in any substantial measures upon the policy-holders of life insurance companies, because life insurance is a matter of such extreme importance to the individual and to his family. It seemed to me that we might very properly differentiate in our taxation in favour of the policy-holders of life insurance companies. The Superintendent of Insurance reports without any hesitation that any taxation that might be imposed upon life insurance will be borne by the policy-holder, and it is his view, and it is mine, that the policy-holders of the companies should not be burdened with taxation in making provision for their dependents.

Whether those are good reasons it is for the committee to judge. But it appeared to me that, having regard to these and some other considerations that are obvious and analagous to those I have mentioned, it would be advisable to exempt life insurance companies from this taxation.

Sir WILFRID LAURIER: Does not that apply to all these taxes?

Mr. WHITE: Not in the same degree, I think. Legislation has specially recognized that life insurance policies are a class of property different from other property. For example, under provincial legislation, and I think Dominion, it is possible for one to declare a trust or to make a policy payable without consideration to a dependent or to his family, and the law will not set that aside at the instance of any creditor. So that life insurance policies have been regarded as a class of property different from other property; I think for the reason of the dependence of a man's family upon his life insurance policy. Whether that appeals to the committee or not it is for them to say. But, in the opinion of the Superintendent of Insurance, these taxes will fall on the policy-holders and upon a man's dependents, and as all classes of the community are interested in life insurance, we thought it inadvisable to impose this tax.

Sir WILFRID LAURIER: There is a great deal of force in the views presented by my hon. friend. If there is a class of property that ought to be sacred, it is certainly an insurance policy. An insurance policy is a sort of a trust. For instance, a young man going into business sets aside a certain portion of his earnings every year for the possible contingency that the insurance may be paid to his family. There is no more sacred trust, and I should be sorry for us to do anything here to impair the

value of that trust. But, take the ordinary stock companies, not the mutual companies. Take the Canada Life, for instance, or the Sun Life and other companies that earn a very large income. I do not know what rate of dividend they pay to their shareholders, but I imagine it must be pretty high. Is it not possible that the profits which are accumulated and go to the shareholders might just as well be subject to taxation as the profits of the banks or trust companies, or of any other dividend earning company? I can see no reason at present why this should not apply to insurance companies.

Mr. R. B. BENNETT: With the view that has just been expressed by the right hon. gentleman I entirely agree. I had occasion to look into that matter the other day and, while the profits of life insurance companies arise from several sources, I think the non-profit bearing policies should probably not be subject to this tax; for a non-profit bearing policy is merely a contract between the insurance company and the insured by which for a definite premium the company undertakes to pay under certain contingencies a fixed sum. But with policies that earn so-called profits the company not only accumulates large sums of money by reason of the loading of the premiums based upon the expectation of life tables, but it also makes large sums of money from the investment of its surplus funds, and while in theory some portion of its surplus funds belongs to the policy-holders and is distributed sometimes annually, sometimes quinquennially, and sometimes at other intervals, nevertheless the owners of the company are in complete control and dominate those profits; and there is no reason why they should not pay something to the revenue of this country at this time, just as much as something should be contributed from the accumulated profits of banks or trust companies. I think the tax should certainly apply to joint stock companies such as the Sun Life, the Canada Life, the Confederation Life and the Great West, which have a paid up capital stock and an accumulated surplus representing in some instances many times what their paid up capital stock is.

There is another matter to be kept in mind, and which perhaps may militate somewhat against the views I have expressed, and perhaps the Minister of Finance had this in mind. I refer to the enormous taxes that have been imposed on these companies by the provinces. It was only yesterday I think that Mr. Justice Middleton gave his decision that the taxes in Ontario were intra vires. It had been alleged that it was a direct tax which could not be enforced by the province. That was one of the grounds, and I need not discuss the others, but it was held competent for the province to pass that legislation. And that involves the consideration up to what point this taxation can be carried without necessitating a revision of the contracts that exist between the companies and the policy-holders. I think that is well worthy of the consideration of the Finance Minister before we finally settle this matter. The shares of some of these large life insurance companies are selling on the market at $300, and in one instance the price was $321 for a hundred dollar share.

Mr. PUGSLEY: I am not able to see why these life insurance companies should not pay a contribution to the treasury under the present circumstances. It must be borne in mind that the tax, alleged to be a war tax, is imposed under circumstances which the Finance Minister thinks justify the imposition of this burden, and the allegation is made that it is placed on all the people of Canada so that each one may contribute something towards the revenue. Take the case of fire insurance companies. They can change their rates every year, and I venture to say that if this tax is continued for any length of time they will take it out of their policy-holders by a little increase in the premiums. They know how to do that. The banks know how to take it out of their customers. If they are obliged to pay a tax they add a percentage to the rate of interest which they charge. In the end the bulk of these taxes will come out of the people who transact business with these large financial institutions. Life insurance companies doing business in Canada give evidence that they are making a great deal more money than fire insurance companies. On the whole, fire insurance in Canada has not been a profitable business for some years past; but life insurance has on the whole been exceedingly profitable.

Mr. R. B. BENNETT. Most profitable.

Mr. PUGSLEY: Go to the great cities of Canada, Montreal, Toronto, Winnipeg, Hamilton or Vancouver, and you will find great buildings towering to the sky almost, owned by life insurance companies; magnificent buildings used not only by the life insurance companies themselves, but rented out for office purposes, from which they derive a large revenue. The business

done by life insurance companies in Canada is enormous. I have the figures for 1913 showing that the net amount of life insurance in force in Canada was $1,168,590,027. Of that the insurance carried by Canadian companies was $750,637,902; by British and Colonial companies, $58,176,795; and the balance by United States companies doing business in Canada, and remember that would include such great companies as the Equitable, the Mutual Life, the New York Life, the Prudential and other companies whose assets are counted in hundreds of millions of dollars.

Yet under this Bill these great and wealthy companies are allowed to go scot free while the taxes are being imposed upon fire insurance companies. If the premium rate on fire insurance is increased it strikes most people just as hard as it would strike them if a small amount were taken away from the profits divided amongst the policy-holders of the life insurance companies.

Mr. R. B. BENNETT: It would not strike them any harder than it does in the case of fire insurance companies.

Mr. PUGSLEY: It would be more likely to strike them harder in the case of fire policies than in the case of life policies. The premium income received by the life insurance companies during the year 1913 came to the enormous amount of $38,641,206. That is the premium paid to the life insurance companies on the policies in one year in Canada. Why do not these companies pay a small percentage on this sum of money?

Mr. HAZEN: Do these figures include the mutual companies?

Mr. PUGSLEY: They include the mutual companies as well.

Mr. HAZEN: Companies like the Independent Order of Foresters?

Mr. PUGSLEY: Yes.

Mr. W. F. MACLEAN: Not the Foresters.

Mr. NESBITT: They do not include benevolent societies.

Mr. PUGSLEY: I presume that is so.

Mr. R. B. BENNETT: They include all companies that come under the Insurance Act.

Mr. PUGSLEY: The tax proposed is one per cent on the net premiums received. If a tax were imposed upon premiums aggregating $38,641,206 it would give about $380,000 of additional revenue.

Mr. HAZEN: Do I understand the hon. gentleman to say that that would include the Independent Order of Foresters?

Mr. PUGSLEY: I presume it would, but I assume that insurance carried by the fraternal companies would be only a small percentage. Take the fire companies; the fire policies in force in 1913 aggregate $2,925,200,553 and the premium paid thereon $35,347,139. The premiums received by the life insurance companies in 1913 were about $3,000,000 greater than the premiums collected by fire insurance companies. It does seem to me that all companies, with the exception of what may be termed purely mutual fraternal companies, ought to be subjected to this tax. If you are going to provide a tax that is to bear as far as possible upon all classes in the community, there is no possible justification for taxing fire insurance companies and exempting life insurance companies, which are, speaking in a general way much more wealthy and much more able to pay the tax than fire insurance companies are.

Mr. NESBITT: With reference to the level premiums I would like to say non-participating policies are loaded in their charges for the purpose of providing dividends for the stockholders just as much as the participating polices. The hon. member for Calgary (Mr. Bennett) is quite right in saying that the stockholders and directors have absolute control of the question as to the amount of profits that are going to the policy-holders and the amount they shall take for themselves. The non-participating policies are loaded for this purpose.

Mr. R. B. BENNETT: That is in order to pay the level premium as distinguished from the natural premium.

Mr. NESBITT: Yes. I would not like the committee to think that there were many level premium mutual companies doing business in Canada. The benevolent societies are a different proposition. I did not rise to urge the imposition of a tax on life insurance companies, although I presume they could stand it, as my hon. friend from St. John (Mr. Pugsley) says, a good deal better than fire insurance companies. To my certain knowledge the large fire insurance companies have not made any money in this country for thirty years. I rose to direct the attention of my hon. friend the Minister of Finance to the fact

that there is a large amount of fire insurance done in Canada by companies that do not pay a cent towards the maintenance of the Government in this country. They do business principally with the large corporations, and they pay no license fees. I have always contended that if we are going to license one we should license all and put all on the same basis. They are also exempt from this tax, notwithstanding the fact that they gather an enormous amount of insurance in this country. Last year they had insurance in force to the extent of $250,000,000. These companies are exempt, and I do not think it is fair that they should be exempt.

Mr. PUGSLEY: They are what are called mill mutuals?

Mr. NESBITT: Mill mutuals, reciprocal underwriters and various mutuals. They collect a cash premium in this country, and they are all Americans. They pay nothing. They are not corporations that pay liberally towards the upkeep of the country.

Mr. R. B. BENNETT: They do not even have an agent here.

Mr. NESBITT: No, they pay nothing to anybody in this country. The large fire insurance companies help to a large extent in maintaining our cities. They erect fine buildings, pay enormous taxes, and are the largest purchasers of gilt-edged securities. They have to have their moneys available in case of losses, and in consequence they invest only in gilt-edged securities. They are a very great asset to the country because of the excellent premises they have and the taxes they pay towards the maintenance of the different cities.

Mr. W. F. MACLEAN: We are discussing an emergency tax, but we have raised another question as to the profit of insurance companies. These profits are very large. They have a different way of dealing with these financial corporations in Germany which is well worthy of consideration, not in connection with an emergency tax like this, but in connection with the question of what the insurance companies ought to contribute towards the revenue of the country. The large life insurance companies make enormous profits, and, instead of sharing these profits fairly with the policy-holders, they hand them over largely to the shareholders. In Germany they make large insurance companies, banks and other corporations of this class share their profits, first, with the state, and, in the next place, they compel them to apply excess profits to a reduction in the rates. Eventually we will have to come to that in this country, both as regards banks and insurance companies. There is no reason why the insurance companies in Canada should not pay a percentage of their profits to the State, and be made to share their profits every year. It has been worked out in other countries, it can be worked out here. A large revenue would accrue to the State from that source, and no one can stand it so well as the shareholders who own these companies. They do not reduce rates when they could reduce rates, and they have these large profits which are ultimately held for the benefit of the shareholders. These profits should be divided with the State or with the policy-holders, and our general insurance company law should be amended in that direction. We are taking an emergency tax from the banks on their circulation. Probably the best way to reach them in connection with a permanent form of taxation, would be to make the banks share their profits with the State, or increase the rate of interest to the depositors. My suggestion is that the Government should have in view a permanent policy in the direction I have indicated. In the meantime I agree largely with what has been said, that probably you could get a large revenue by putting some kind of an emergency tax on these profits right away.

Mr. W. T. WHITE: There is a distinction between a bank and a life insurance company carrying on modern life insurance. If a bank makes certain profits as a result of its annual operations, it is open to the bank to distribute the entire sum of these profits among its shareholders, who are really the proprietors, or to carry a portion of the profits to reserve. In the case of a life insurance company, as distinct from a fire insurance company, a bank, or a general joint stock company, there is the relationship of partnership between the life insurance company and its policyholders; there is the relationship of trustee and cestui que trust except as to capital. Therefore, in my view, you should not deal with a life insurance company upon the same principle as you would deal with a bank or an institution in which that fiduciary relationship or partnership relationship does not exist, unless you are prepared to go this far: that you are willing to impose taxation not only upon the institution in so far as it is owned by its shareholders, but also upon the policy-

holders who are participators in its profits, who are charged with a share of the expenses, and who are, in a sense, partners in the business. It is true, as stated by my hon. friend (Mr. Pugsley), that certain life insurance companies are very large and wealthy institutions, but it is equally true that there are also many life insurance companies, especially those organized during recent years—and this also would be true of fire insurance companies—which have paid no dividends to their shareholders.

Sir WILFRID LAURIER: Are there any companies which have paid no dividends to their shareholders?

Mr. WHITE: The Assistant Deputy Minister tells me there are several. My starting point is that it is not desirable to tax fraternal life insurance companies, or to tax mutual life insurance companies, or to tax ordinary life insurance companies if the burden of taxation will inevitably be shifted upon the policy-holders. This matter has engaged my most careful attention and the superintendent of insurance, who is a skilled actuary and a man whose judgment is entitled to great weight, says:

> It has been stated that since insurance contracts of life insurance companies are made with fixed and definite premiums throughout life, which cannot be increased, any additional tax imposed must be borne by the shareholders. It must be remembered, however, that 85 per cent of the life insurance in Canada is on the participating plan under which profits realized over and above claims and expenses are distributed amongst the policy-holders. Any tax imposed upon the premiums of life insurance companies would be immediately treated as an additional expense on the business, and would, therefore, go to reduce the profits payable to policy-holders, and, therefore, to increase the net cost of insurance to those policy-holders. The tax would therefore be borne by the policy-holders as truly as if the premiums they pay were immediately increased by the amount of the tax.

Mr. W. F. MACLEAN: Yes, but that could be changed. You could tax the net profits of the insurance companies.

Mr. WHITE: They would treat that tax as part of their expenses and it would be loaded on the policy-holders.

Mr. MACLEAN: But they have no right to put that load on the policy-holders.

Mr. WHITE: The superintendent of insurance has been engaged in the inspection and examination of insurance for many years and he says that is precisely what would happen. He says further:

> It is believed to be impossible to so tax life insurance companies as to make the burden fall upon the shareholders, but that it would in every case be transferred to the policy-holders of the company.

Mr. R. B. BENNETT: How could that be so? Take the Canada Life Insurance Company and it is provided by statute that its dividends shall not exceed ten per cent, that is $100,000 per annum on one million dollars. The accumulated surplus which arises from the profits on investment, as well as from the loading of the premiums, amounts to a very large sum. Why should this not pay some tax to the state?

Mr. WHITE: All I can do is to invoke the technical opinion of the man who is dealing with insurance companies every day.

Mr. W. F. MACLEAN: Yes, under existing conditions.

Mr. WHITE: This gentleman says it would be loaded upon the policy-holders. In addition to that he says that no less than 85 per cent of the life insurance in Canada is on the participating plan.

Mr. MACLEAN: How is that participation appropriated to policy-holders and to shareholders?

Mr. WHITE: By the directors who, as a matter of fact, are given that statutory authority.

Mr. MACLEAN: That is where the whole trouble is; they should not have that statutory authority.

Mr. WHITE: That is the insurance law of this country to-day.

Mr. MACLEAN: I know it, and it is crying for reform.

Mr. WHITE: That may be a question for consideration but I am speaking of the situation as it exists to-day and 85 per cent of life insurance is participating and in the opinion of the Dominion Superintendent of Insurance the burden of this taxation, if we imposed it, would fall upon the policy-holders. Assuming, as I have assumed, that it is not wise that we should tax policy-holders of life insurance, in view of this expert opinion of the Insurance Department and of the legislation as it is to-day I was unable to see that I would be justified in imposing a tax upon life insurance companies, and that is the reason they were exempted.

My hon. friend from North Oxford (Mr. Nesbitt) raised another question, as to un-

licensed companies. I looked carefully into that matter. My hon. friend knows that these unlicensed companies have no offices in Canada and no agents here. As he has pointed out, they are not subject to the jurisdiction of the Dominion, not being domiciled here. This matter has already been considered by this House and by the Senate. The question of taxation of premiums paid to unlicensed insurance companies was the subject of a prolonged and heated argument before the Banking and Commerce Committee of the House of Commons in 1909 and before the Banking and Commerce Committee of the Senate in 1910, the parties being, on one side the Canadian Fire Underwriters' Association representing most of the licensed insurance companies, and on the other side representatives of many large manufacturing companies. The licensed insurance companies urged either the prohibition of this unlicensed insurance or the imposition of a tax on the premiums paid to these unlicensed companies equal to the percentage of the premiums the licensed companies were called upon to pay by reason of their compliance with the Canadian Insurance Act. The rate of taxation then advocated was 15 per cent. Against this contention it was urged that the right of contracting outside of Canada for insurance in unlicensed companies was one which should not be taken from the individual in Canada, nor should such transaction be subject to taxation. It was claimed also that the difference between the rates charged by the licensed companies and those charged by the unlicensed companies for the same class of risk was much greater than could be accounted for by the expense caused by compliance with the Insurance Act, and this large difference was not satisfactorily explained. I understand that no action was taken except this—that every person in Canada effecting insurance in an unlicensed company was required to make a return to the Department of Insurance showing the amount of such insurance placed by him during the calendar year.

Mr. NESBITT: My memory is that the House of Commons passed the Senate amendment as it stands in section, 39.

Mr. WHITE: I was not a member of the House at that time and am not familiar with the facts. If the hon. gentleman says that that was the case I accept his statement.

Mr. NESBITT: I am speaking from memory, but I was a member of the committee.

Mr. WHITE: The net result was, after the matter had been discussed in the Banking and Commerce Committee of both the House and the Senate, each individual insured in an unlicensed company was required to make the return to which I have referred.

Now, let us see whether it is possible, as my hon. friend suggests, that these companies should be covered by our special taxation measures. They are not domiciled in Canada, and I understand that the agent who arranges for the insurance is regarded as the agent of the insured and not of the insuring company. Therefore, the only way we could impose a tax would be to impose it upon the premiums paid by the individual—tax the individual instead of the company. That is a different principle from the principle which we are adopting under this Act. We are not taxing the individual who may insure with the insurance company. We are taxing the insurance companies one per cent on their net premiums. Precisely how that tax may be borne, I am unable to say. It may be absorbed in whole or in part by the company, but it is clear that the taxation is primarily against the company upon its net premium income. The other would be a tax direct against the individual, upon the premiums paid to these unlicensed companies. The two principles are not on all-fours. I speak not without a certain sympathy with the attitude of the fire insurance companies in this matter, because they are in competition with the unlicensed companies. My own view is that if the situation requires a remedy, it should be remedied in such a way that the unlicensed companies doing business here shall be brought under the jurisdiction of the Dominion Government in some way. Whether that will be done or not I am not prepared at the moment to say. But that is a matter which will engage my attention in connection with some subsequent revision of the Insurance Act. Giving the matter my best consideration for the present, I am unable to see how the provisions of this taxation measure can be made to apply to the unlicensed companies which have no offices in Canada, no agent and no domicile in Canada to bring them under the jurisdiction of the Dominion Government.

Mr. NESBITT: I quite agree with the Minister of Finance. The best way to get at it is through the Insurance Act. At the same time, I would point out to the

hon. minister that since the time of the controversy of which he speaks, the companies of the Underwriters' Association have put themselves in a position to write sprinklered risks at practically the same rates as the unlicensed companies, having established a sprinkler department since that time. I must say it is absolutely unfair in this country, where we allow a certain protection even under a revenue tariff, to force the licensed companies to help to keep up the country while the unlicensed companies that have nothing at stake can come into the country and do a great deal of the gilt-edged business and pay nothing whatever towards the up-keep of the country. I think the minister could have got at this by taxing the premiums paid by the individual. Under clause 139 of the Insurance Act the individual has to report the amount of his unlicensed insurance. He might as well report the amount of the premium paid at the same time. It would not be more difficult to compel him to report the amount of the premium paid than to compel him to report the amount of the insurance written.

Mr. A. K. MACLEAN: Of course, a great deal might be said for the taxing of some long-established insurance companies; but I think on the whole it would work an injustice to the policy-holders if life insurance companies generally were included; and I think that the minister's decision to exclude them from the provision of that clause is, on the whole, wise. I rose to suggest that, as it is improbable that we can conclude the consideration of these amendments this evening, and as we sat to a very late hour this morning, and hon. members are more or less tired, we adjourn, and in all probability it will not take very long to dispose of the resolutions.

Mr. W. T. WHITE: The suggestion of the hon. member is entirely agreeable to me. I move that the committee rise, report progress and ask leave to sit again, to resume to-morrow.

Motion agreed to, and progress reported.

On motion of Mr. White, the House adjourned at 9.45 p.m.

Thursday, March 18, 1915.

The House met at Three o'clock, the Speaker in the Chair.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

[Mr. Nesbitt.]

BANFF AND CALGARY CIVIL SERVANTS.

Mr. OLIVER:

1. How many officials were employed in Banff Park office on September 1, 1911?
2. How many are employed there at the present time?
3. How many officials were employed in the Dominion Lands, Irrigation, Customs and Post Offices, respectively, in Calgary, on September 1, 1911?
4. How many are employed there at the present time?

Mr. CODERRE:

Customs:

1 and 2. None.

3. Twenty-eight in the Customs.

4. Forty-four, of whom two are absent on active military service. The employment of the sixteen additional officers was necessitated by the increase in the customs business at Calgary, as follows, viz.:

Customs revenue: Fiscal year 1910-11, $1,104,916.56; 1911-12, $1,707,751.10; 1912-13, $2,522,902.56; 1913-14, $1,910,385.09.

Number of import entries: Fiscal year 1910-11, 22,132; 1911-12, 30,710; 1912-13, 42,561; 1913-14, 41,066.

Interior:

1. 8.

2. 17.

3. Dominion Lands office, Calgary, 21; Irrigation office, Calgary, 11.

4. Dominion Lands office, Calgary, 27; Irrigation office, Calgary, 24, including 6 officers engaged on the Canadian Pacific railway reclassification work, whose services in connection with this work will not be required after the 1st April next.

Post Office:

1 and 2. The department is not aware of the number of assistants employed in the Banff post office, as the assistants are employed by the postmaster, and not appointed by the department.

3 and 4. Calgary post office, number of employees, 1st September, 1911, 97; 1st March, 1915, 180.

Note: Due to expansion of the service, the revenue of the Calgary post office in 1911 being $158,513; in 1914, the last year for which definite information can be given, $308,874.

ARICHAT MAIL SERVICE.

Mr. KYTE:

1. When did the contract expire for carrying the mails between Grandigue Ferry, Arichat and West Arichat, recently held by Joseph Parker?
2. Were tenders asked for in respect of this service during the year 1914?
3. If so, when were notices calling for tenders posted, and what was the last date for receiving such tenders?

4. From whom were tenders received, and what is the amount of each?
5. (a) Who performed the service since the expiration of Parker's contract, (b) and what is the amount paid for same?
6. Why was not the contract awarded to the lowest tenderer?
7. What was the amount of Parker's contract?
8. When will the new contract be awarded?

Mr. CASGRAIN:

1. 31st December, 1914.

2 and 3. Tenders were invited twice. The first notices were dated 20th August, 1914, and tenders were due at the department on 2nd October, 1914. The second notices were dated 3rd November, 1914, and the tenders were due on 18th December, 1914.

4. The tenders in both cases were considered excessive, and the department has been endeavouring to obtain more reasonable offers. It is not considered advisable to give the names and amounts of the tenders until the new contract has been awarded and executed.

5. (a) Cassie Parker, executrix of the late Joseph Parker, who was responsible for the service, under the former contract, from 1st April, 1913, to 31st December, 1914. (b) $3 per day.

6. Answered by No. 4.

7. $495 per annum.

8. As soon as a reasonable offer has been received.

STONEY MOUNTAIN PENITENTIARY.

Mr. EDWARDS:

What officials of Stoney Mountain penitentiary have been dismissed since 1911, and what were the reasons in each case for such dismissal?

Mr. DOHERTY: One keeper, three guards and one industrial guard. One for violation of the Penitentiary Act and selling intoxicating liquor to officers. Two for coming on duty under the influence of liquor. Two for violation of the provisions of the Penitentiary Act.

A. GENEST.

Mr. McCREA:

1. How many days' actual service has A. Genest, an employee in the Post Office Department at Sherbrooke, given to said position from April 1, 1912, up to present date?
2. What is the total amount of salary paid to him for his services during the said period?

Mr. CASGRAIN:

1. From the 1st April, 1912, to 15th March, 1915, the records show that Mr. Genest reported for duty 481 days.

2. The total amount of salary paid for his services up to the 28th February, 1915, was $3,973.31.

PETAWAWA MILITARY CAMP.

Mr. PROULX:

1. From whom are the supplies for the Petawawa military camp purchased?
2. Are tenders asked for before purchasing them, and who are asked to tender?

Mr. DOHERTY:

1. Meat from Harris Abattoir Co., Toronto, and D. Brasch, Pembroke; bread from Jas. D. Leitch, Pembroke, and English & Davidson, Pembroke; groceries and vegetables from Hunter Co., Pembroke.

2. Yes, tenders were asked from local firms.

JOHN KRANS.

Mr. KAY:

1. Is John Krans in the employment of the Department of Agriculture, or any other department of the Government?
2. What are his duties, and what salary does he receive?
3. Who recommended his appointment?

Mr. REID: I am informed that Mr. Krans is not in the employ of the Department of Agriculture. If the hon. member will let us know the name of the department in which he believes Mr. Krans to be, the answering of the question will be expedited.

Question stands.

SHERBROOKE-SHEET HARBOUR MAIL SERVICE.

Mr. SINCLAIR:

1. Who was contractor for carrying the mails between Sherbrooke, N.S., and Sheet Harbour, in June, 1896?
2. When was that contract made?
3. Had such contract been renewed without tender on a former date? If so, when?
4. When did the contract existing in 1896 expire?
5. What is the name of each contractor for this service since 1896, the date and amount of each contract, the date of the expiration of each contract, and in what case were public tenders called for?
6. At what date in 1911 was the cancellation notice received by McGrath?
7. How was it served on him?
8. On what date was McGrath's contract cancelled?
9. Was any compensation made to McGrath to make good his loss arising from the cancellation of his contract?
10. Who recommended that McGrath's contract be cancelled?

Mr. CASGRAIN:

1. John S. Cameron.

2. April 1, 1890.

3. No, but the contract entered into on the 1st April, 1890, was renewed on the 1st April, 1894.

4. Due to expire on 31st December, 1897, but it was cancelled 31st March, 1897.

5.

Name of Contractor.	Date of Commencement.	Date of Termination.	Amount per Annum.	Action of Department.
John S. Cameron	Jan. 1, '94..	Mar. 31, '97..	$ 750 00	Contract terminated by 3 months' notice on March 31, 1897.
Alex. F. Cameron	Apr. 1, '97..	Mar. 31, '01..	693 00	Tenders called for.
Alex. F. Cameron	Apr. 1, '01..	June 30, '01..	1,200 00	Temporary.
Alex. F. Cameron	July 1, '01..	Feb. 28, '02..	1,800 00	Temporary.
M. McGrath.. ..	Mar. 1, '02..	Dec. 31, '05..	1,464 00	Tenders called for.
M. McGrath.. ..	Jan. 1, '06..	Feb. 28, '06..	1,487 61	Temporary.
C. H. Baker.. ..	Mar. 1, '06..	Dec. 31, '09..	1,349 00	Tenders called for.
M. McGrath.. ..	July 1, '06..	Dec. 31, '09..	1,349 00	Contract transferred by Baker to McGrath.
M. McGrath.. ..	Aug. 1, '08..	Oct. 31, '08..	1,891 00	In order to invite tenders for a daily service McGrath's contract at $1,349 was cancelled July 31, 1908, but was continued temporarily at $1,891 from August 1, 1908, to October 31, 1908.
John S. Cameron	Nov. 1, '08..	Sept. 30, '12..	1,743 00	Tenders called for.
M. McGrath.. ..	July 1, '10..	June 30, '14..	3,334 00	Contract of J. S. Cameron terminated June 30, 1910, and tenders again invited for daily service.
John S. Cameron	Apr. 1, '12..	Mar. 31, '16..	3,293 00	McGrath's contract terminated by three months' notice on March 31, 1912, and tenders called for.

6. It was not received by McGrath in 1911. He states that it reached him on or about the 3rd January, 1912.

7. By registered letter from the post office inspector at Halifax.

8. March 31, 1912.

9. No.

10. Contract was terminated by order of the Postmaster General on it being represented that John S. Cameron, a former contractor, had been unfairly treated.

D. A. McDONALD.

*Mr. McKENZIE:

1. When in the year 1913 was D. A. McDonald appointed foreman of construction on the wharf at North Side East Bay, Nova Scotia?

2. Was he removed from the foremanship before he completed the work? If so, for what reason?

3. Upon whose recommendation was he appointed?

4. On whose recommendation was he dismissed?

Mr. ROGERS:

1. October 13, 1913.

2. No, his services, as foreman, automatically expired at the end of the fiscal year.

3. John McCormick, of Sydney Mines.

4. Answered by No. 2.

QUEBEC SUPERIOR COURT JUDGES.

Mr. MARCIL:

1. Have any applications been received from any of the judges of the Superior Court of the province of Quebec for superannuation or retirement within the last twelve months? If so, from whom?

2. Has any action been taken? If so, what is it?

Mr. DOHERTY:

1. Chief Justice Sir Charles P. Davidson, Hon. Mr. Justice Cimon, Hon. Mr. Justice de Lorimier and Hon. Mr. Justice Cooke resigned.

2. The above mentioned resignations have been accepted, the first three retiring with full pay, the last mentioned on pension equal to two-thirds of his salary, in accordance with the provisions of the statute in that behalf.

WAR SUPPLIES—MOTOR TRUCKS.

Mr. DESLISLE:

1. How many motor trucks did the Government purchase for the second contingent?

2. From what company did it purchase them?

3. What is the name of the trucks?

4. What price was paid for each truck?

5. Is the price paid for the complete truck, tires, lamps and necessary utensils belonging to each?

6. If not, what price was paid for the tires, lamps and utensils, and what price was paid for the body of each truck?

7. From what company were such bodies of trucks purchased?

8. Who was appointed to receive them?

9. Have they all been delivered?

Major General HUGHES:

1. One hundred and fifty.

2. Kelly-Springfield Motor Truck Company, Springfield, Ohio.

3. Kelly-Springfield 3½ ton.

4. $2,550, less $259.32 for tires and tools which are being purchased in Canada.

5. For the complete chassis without body, tires and tools, but with side and tail lamps.

6. The tires cost $247 per set; the tool contract is still under consideration. The bodies contracted for cost $168 each.

7. The Massey-Harris Company, McLaughlin Carriage Company, the Oxford Motor Car Company.

8. Lt.-Col. Hurdman, inspector of carriages.

9. No.

QUEBEC COUNTY TELEGRAPH SERVICE.

Mr. DELISLE:

1. Has the Government built a telegraph line in the county of Quebec?

2. If so, what is the cost of it, and what revenue is derived from it?

3. Does that line extend beyond the county of Quebec?

4. Does that line compete with other already existing lines which, for a long time, have given local and long distance service?

5. What is the quality of the materials that have been used in the construction of that line?

6. Have the workmen been all paid?

7. Who was the contractor of that line for the Government?

Mr. ROGERS: The Government has built no telegraph line in the county of Quebec.

CALMER AND TELFORDVILLE MAIL SERVICE.

Mr. DOUGLAS:

1. How many tenders were received in connection with the contract for carrying mails between Calmar and Telfordville?

2. What are the names of the tenderers, and the amount of each tender?

3. Who received the contract?

4. Who is carrying out this contract, and to whom is payment being made?

Mr. CASGRAIN:

1. Three.

2. J. H. Vanalstyne, $400; F. M. Grant, $468; I. J. McKinney, $700.

3. I J. McKinney offered to reduce his tender to $398, and the contract was awarded to him. The post office inspector reported that McKinney refused to sign a contract and submitted the name of W. J. Dent as a suitable person willing to accept $398. Mr. Dent's offer was accepted.

4. W. J. Dent.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. L. J. Gauthier: For a copy of all documents, letters, messages, correspondence, petitions, recommendations, tenders, etc., for the purchase of clothing by the Militia Department from the 4th of August, 1914, to date.

Mr. Copp: For a return showing the names of all officials, assistants and clerks, employed in the railway offices at Moncton, N.B., and the salary paid to each; also the names of officials formerly employed in said offices who have been retired on superannuation allowance, and the amount of retiring allowance being paid to each.

Mr. Délisle: For a copy of all petitions, telegrams, communications and other documents relating to the dismissal of Mr. Hubert Paquin, postmaster of St. Gilbert de Portneuf.

BUSINESS OF THE HOUSE.

Sir ROBERT BORDEN (Prime Minister) moved:

That this House shall meet on Saturday, the 20th inst., and on all Saturdays until the end of the session, the hours of sitting and the order of precedence for business to be the same as on Fridays; and that on and from Monday, the 22nd instant, and until the end of the session the House shall meet each day at 11 o'clock in the morning, and that in addition to the usual intermission at 6 o'clock, p.m., there shall be an intermission from one to three o'clock, p.m.

He said: I make this motion with the view of expediting the business of the session, and with the feeling that hon. members on both sides desire to make the necessary progress. As far as I can gather, the only possible objection to it would be that some of the committees might have to meet while the House is in session. That after all is not a very great inconvenieence as far as a good deal of the business is concerned. It is proposed also that we should meet on Saturdays until the end of the session. That, of course, imposes a very much greater burden upon the members of the Government than upon any other members of this House, inasmuch as Saturday is the day reserved for meetings of Council, and as a matter of fact practically the whole day is taken up for that purpose. Nevertheless, in order that business may be expedited, we will endeavour on convenient occasions to get through with the work usually done on Saturdays. I hope this motion will commend itself to the House.

Sir WILFRID LAURIER: Mr. Speaker, I assume that this motion means that the Government has no more business to bring down and that we have before us on the Order Paper all the business we shall have to deal with this session. Am I right in that?

Sir ROBERT BORDEN: There will have to be a Bill with regard to seed grain. I am informed by the Minister of Justice that it will be necessary to correct some clerical

mistakes in the Redistribution Act of last session, but nothing that affects the substance of the measure. My hon. friends from Prince Edward Island spoke about a motion with regard to the representation of that province, and it is possible I may bring forward a resolution with regard to that. I cannot think of anything else at the moment.

Sir WILFRID LAURIER: If the intention of the Government is to bring down no more business than that stated by my right hon. friend—seed grain, the possible amendment of the Redistribution Act, and the representation of Prince Edward Island —I assume that these measures will not be contentious, and therefore I see no objection at all. But if any contentious measures were to be brought forward I should object very strongly to our sitting in the morning. I am satisfied with the explanation given by the right hon. gentleman. We now know that what we have to deal with is the programme before the House. With these explanations we on this side of the House—

Sir ROBERT BORDEN: With the right hon. gentleman's permission I would interrupt for a moment. The Minister of Justice says that there is necessity for a Bill with regard to the appointment of judges in certain provinces.

Sir WILFRID LAURIER: What provinces?

Mr. DOHERTY: The provinces of British Columbia and Alberta have created new county court or district court districts, and it will be necessary for us to make provision for the salaries of judges for these courts.

Sir WILFRID LAURIER: There can be no objection to that.

Sir ROBERT BORDEN: And I understand from the Minister of Justice that a small amendment will be necessary to the Winding-Up Act; but that does not involve any controversy.

Sir WILFRID LAURIER: I wished to know if there was any legislation of a contentious nature to be expected, and I understand from my right hon. friend that none such legislation is to be brought down. We know now what we have to deal with. Speaking for this side of the House, we have no objection to expediting the end of the session, and to that end to begin morning sittings. There will be some inconveniences with regard to the committees,

[Sir Robert Borden.]

but there are always these inconveniences, and we will try to get along. I would suggest that it would be inconvenient to have a sitting next Saturday, as some members have made engagements which will prevent them being here on Saturday or Monday morning. If the right hon. gentleman will agree not to sit on Saturday next but on the Saturday following, and that the morning sittings shall commence on Tuesday next instead of on Monday, I will agree to the motion.

Mr. A. K. MACLEAN: Will not some legislation be necessary in connection with pensions? I have not looked into it particularly, but it did strike me that some further legislation would be necessary on that subject. I would make the suggestion that instead of sitting at eleven in the morning we should begin our sittings at two o'clock in the afternoon.

Some hon. MEMBERS: Oh, oh.

Mr. MACLEAN: I know that would be agreeable to some members, and I am further of the opinion that we should accomplish as much work as by commencing at eleven o'clock.

Sir ROBERT BORDEN: I thought I heard some hon. gentlemen opposite suggest that we sit at nine o'clock instead of at eleven.

Mr. MACLEAN: Only one.

Sir ROBERT BORDEN: Eleven o'clock is the hour which has usually been fixed in the past, and I think that would be a convenient hour for members generally.

As to pensions, so far as the troops in Canada are concerned, there is power under the Pensions Act to make the amendments. With regard to the men beyond the seas—we make no distinction as to rate of pensions—I think there is power by Order in Council to deal with them. If it was desired that the proposed Order in Council should be brought down and placed before the House in advance of being assented to by Council we would have no objection. The pension rate has been practically agreed upon after receiving very careful consideration from the proper officers of the Department of Militia and Defence, and from the members of the Government who have had it under consideration a great many times. At present it is in the form in which we shall be prepared to pass it unless we should have suggestions from hon. members on the

subject. We should be glad to consider such suggestions.

Mr. PUGSLEY: I notice by the newspapers that certain railways have been acquired to be operated as a part of the Intercolonial railway. Does not the Prime Minister think that legislation may be necessary?

Sir ROBERT BORDEN: The Minister of Railways and Canals had not brought that to my attention, and therefore I did not mention it as part of the proposed legislation of this session. I shall have to make a reserve with regard to my previous answer to the right hon. leader of the Opposition. I am not aware at the moment that any legislation is necessary, but my hon. friend from St. John city (Mr. Pugsley) would probably be better able than I to speak as to that necessity, and I would accept his opinion upon it.

Mr. PUGSLEY: I think it would be necessary. While there was a vote last year for operating the railway, there has been no distinct measure passed by Parliament authorizing the purchase. Therefore, I should think legislation would be required to legalize the operation of the road.

Sir ROBERT BORDEN: Will my right hon. friend (Sir Wilfrid Laurier) permit a correction of what I said before, by reserving the consideration of that matter? I shall speak to the Minister of Railways about it at the earliest moment. But I should assume that any Bill brought down for the purpose indicated would not be of a controversial character.

Sir WILFRID LAURIER: To anything that it not of a contentious character, of course, we have no objection. But, if anything of a contentious nature is proposed, we must have time to breathe.

Mr. PROULX: Last year the Minister of Finance brought in a Bill with reference to the Civil Service, and that Bill was left over for consideration at this session. I can well understand that this is not a proper time to deal with it and that it might be left over, but I would suggest to the minister that he should propose some temporary measure for the lower grades, especially the male officers who are not given salaries sufficient to enable them to support their families. The minister proposes to put them on a salary of $600 instead of $500 as at present. I suggest that, pending the proposed reclassification of the whole service next session, the Finance Minister make provision that the salary paid to employees of this grade shall be increased from $500 to $600, to take effect April 1.

Motion, as amended, agreed to.

STATUS OF CANADIANS IN CALIFORNIA.

On the Orders of the Day being called:

Mr. WILLIAM GRAY (London) asked for leave to move the adjournment of the House for the purpose of discussing a matter of urgent public importance, namely, the recent announcement in some of the states of the United States of laws which deny to Canadian citizens resident in those states the right of enforcing through the courts of those states their claims or contracts against persons and corporations in those states.

And leave having been granted, he said:

I desire to bring to the attention of the Government a very serious condition of affairs detrimental to our fellow-countrymen and, I may say, to all Britishers in the state of California, which I am satisfied will have not only the sympathy but the unanimous support of every Canadian citizen in having the matter thoroughly investigated at as early a date as possible, and I am sure the Government will use their good offices and do all in their power with the proper authorities, to bring about a satisfactory adjustment of this matter, which is a gross injustice to our fellow-citizens.

I have received the following letter from Mr. William S. Short, of London, Ontario, under date of March 10:

> Dear sir,—I want to interest you as member for London, in case of several hundred Canadians who are in trouble in California regarding a law that has been dug up from an old statute, and on the strength of it the county and state authorities are disregarding contracts made with aliens though holding aliens to contracts they may have happened to make.
>
> I enclose a copy of a letter from my daughter who is teaching school in California, and which will explain the situation very fully. You are pretty well acquainted with California and have large interests there, and can sympathize with these people who find themselves out of work, unable to collect even the wages they have earned, and standing to lose property they have struggled hard to pay for.

The following letter was written to Mr. Short by his daughter, from Mendocino, California, on February 28:

> Will you try and interest your representatives in Parliament in the following matter of very great concern to me and to a large number of other Canadians in California?
>
> In 1901 a law was passed providing that no

state or county money should be paid to aliens. Among others, I have been teaching here since 1906, and no cognizance was taken of the law. In fact, no one seemed to know of it. It seems that this year the city of Bakersfield found out about the law and asked the Attorney General for a ruling on the subject. He said that the law was plain that no money should be paid to aliens, nor should contracts be made with them. But they had made a contract with me to teach until the end of May, knowing I was a Canadian and not naturalized. Yet this week the county office here notified me that they would not pay me for work performed since February 20th, and have held up my warrant for the whole month.

If this affected me only I would perhaps have not said anything, but it affects about 1,500 people in the state, a large majority of whom are Canadians. It also affects 28 full professors in the State University, among whom are Professors Henry Morse Stevens and Gayley, Both British.

A declaration of intention to naturalize is not sufficient, and it takes two years to obtain final papers. We fear that it is the right of California to make what laws she pleases against aliens.

The Legislature meets March 8, and it should be a simple matter to pass a relief bill covering past actions and to the end of this school year. If pressure is brought to bear, this will be done. It will be hard enough on me not to be able to teach here again, as I have done it so long it is almost impossible for me to do anything else, especially since San Francisco is so congested with visitors; but the worst part for me is that I have bought property on which I have been paying taxes for three years and which has been purchased on the contract plan. If I cannot teach I shall not be able to pay these monthly instalments as they come due, and as time is the essence of these contracts I shall probably lose what I have worked so many years to make. It does seem to me that the Canadian Government ought to remonstrate and by so doing help to protect the contract rights of its citizens in a foreign country.

Will you get our member to do what he can to interest the Government on behalf of these citizens and greatly oblige?

I have before me the laws of the state of California referred to by Miss Short. I quote from Act No. 127 of 1901:

1. No person, except a native-born or naturalized citizen of the United States, shall be employed in any department of the state, county, city and county, or incorporated city or town government in this state.

2. It shall be unlawful for any person, whether elected, appointed or commissioned to fill any office in either the state, county, city and county, or incorporated city or town government of this state, or in any department thereof, to appoint or employ any person to perform any duties whatever, except such person be a native-born or naturalized citizen of the United States.

3. No money shall be paid out of the state treasury, or out of the treasury of any county, or city and county, or incorporated city or town, to any person employed in any of the offices mentioned in section two of this Act, except such person shall be a native-born or naturalized citizen of the United States.

[Mr. Gray.]

If the officials of any state, county, town or village, disregard the laws of their country, why should the innocent suffer? I have a letter from Mr. J. Norman Dean, of Havelock Court, Havelock and College streets, Toronto, written on March 16, in which Mr. Dean says:

I notice by a press despatch from Ottawa under date of March 15 that you are laying the case of Canadian teachers in California before the House of Commons.

I would respectfully call your attention to the fact that on June 20, 1914, my employment as statistician of the Industrial Accident Commission of the state of California was terminated by virtue of this law. Whatever possible objection there can be to Canadians being employed in California municipal or state service, evidently lies behind this law.

Needless to say it is about time that a protest was made on behalf of Canadians in the same position.

It is also interesting to note that the writer was refused the opportunity of applying for a school certificate in the state of California and that many of the Canadians in California are in the same position.

I note in the Ottawa Journal of the 16th an item:

Officials in the university of California denied yesterday the charge made by Wm. Gray, member of the Canadian Parliament, that 28 professors and instructors in the university were unable to receive their salaries because they were not American citizens.

I just wish to say that this is a quibble arising out of section 3 whereby no moneys are to be paid out of the State Treasury, and university employees are not paid out of the state fund but out of the specific fund denoted as the university fund.

In conclusion I have to say that if the United States are, as we believe, a Christian and civilized nation, when this gross injustice being done to our fellow countrymen is put before the proper authorities the matter will, I believe, be speedily adjusted and the jug handled Act wiped off the statute book.

Hon. C. J. DOHERTY (Minister of Justice): Mr. Speaker, I do not think there can be any doubt that the matter which the hon. member has brought to the attention of the House is one of importance and one in reference to which we are called upon to interest ourselves. If the facts alleged are found to be true, and it appears that Canadian citizens even through the operation of a law which may have been properly enacted and may have been perfectly justifiable from the point of view of those enacting it, suffer injustice, it is certainly a proper matter for us to look into. The matter has come to my attention through

the press and from other sources of information, and I have already given instructions that it should be carefully looked into; and, furthermore, that it should be taken up through the proper channels with a view to having put before the proper authorities in the state of California any cases of injustice towards any of our Canadian fellow subjects which may have arisen under this law. The matter certainly will have the careful attention of this department and, if upon verification it proves necessary or desirable or proper that representations upon the subject should be made, they will be made in proper course. I think we must assume that there can be no intention on the part of the proper authorities in the neighbouring states to cause any injustice to any Canadians.

Motion to adjourn the House negatived.

WAYS AND MEANS—THE TARIFF.

The House again in Committee of Ways and Means, Mr. Sevigny in the Chair.

Hon. W. T. WHITE (Minister of Finance): Mr. Chairman, I think you have before you the resolutions which I moved yesterday referring to the proposed special taxation. There is one item in it, No. 16, which, for reasons which I shall give when we reach it, I propose to drop. I would suggest that we take up each resolution separately.

Resolved, that it is expedient to provide:

1. That each bank to which the Bank Act applies, exclusive of banks in the course of winding-up, shall pay for Consolidated Revenue Fund quarterly a tax equal to one-fourth of one per cent upon the average amount of the notes of the bank in circulation during the three months preceding, the greatest amount of notes in circulation at any time during each of the three months being the basis of the average, provided, however, that where the greatest amount of notes in circulation exceeds the amount of the paid-up capital then an amount equal to the paid-up capital shall be the basis used in calculating the average;

Mr. A. K. MACLEAN: What revenue does the minister anticipate from this source?

Mr. WHITE: Approximately $1,000,000. There is $100,000,000 of bank note circulation and one per cent of that would be $1,000,000. I would think approximately that amount would be derived.

Sir WILFRID LAURIER: If I understand the last paragraph of the resolution aright, the tax is not to be imposed on note circulation in excess of the paid-up capital of the bank. What is the reason for this?

Mr. WHITE: Under the Bank Act as amended by the Government of my right hon. friend a chartered bank may issue normal note circulation to the amount of its paid-up capital and there is also an excess circulation privilege under the authority of which, during certain months of the year, the banks may issue circulation in excess of their paid-up capital. The banks are obliged to pay now 5 per cent upon that excess circulation. It therefore appeared to us that, as we are already taxing the privilege of excess note circulation, it would be unjust to add to that 5 per cent an additional one per cent. The effect of that would be to discourage banks from issuing that excess circulation.

Sir WILFRID LAURIER: I do not know that the banks are being treated severely, but that may be a very good reason.

Section agreed to.

That every loan and trust company incorporated under any legislative authority, including the banks subject to the Quebec Savings Banks Act, 1913, shall pay for Consolidated Revenue Fund a tax of one per cent, upon the gross amount of

(a) interest, the property of the company, from loans and investments in Canada, and

(b) Income, other than interest, on business transacted within Canada received by the company on and after the first day of January, 1915;

Sir WILFRID LAURIER: How much does my hon. friend expect from this?

Mr. WHITE: About $150,000.

Mr. A. K. MACLEAN: I suppose you will have some method of obtaining the necessary information. Forms will be supplied to the loan companies, I suppose?

Mr. WHITE: The Bill contains provisions under which returns must be made upon the forms supplied.

Section agreed to.

On section 3:

That every insurance company other than life and marine companies, fraternal benefit societies and purely mutual companies shall pay for Consolidated Revenue Fund a tax of one per cent upon the net premiums received by the company in Canada on and after the first day of January, 1915;

Mr. A. K. MACLEAN: How much is expected from this?

Mr. WHITE: About $350,000.

Mr. MACLEAN: On what grounds were life and marine insurance companies ex-

cluded and fire insurance companies not excluded?

Mr. WHITE: Marine insurance companies have to compete with American companies in the lake and ocean carrying trade, and it was thought that the imposition of a tax would place them at a disadvantage, as their competitors would not be subject to this tax. I think the matter is of some importance, especially in connection with the trade upon the upper lakes, where there is keen competition between American and Canadian bottoms.

Mr. PARDEE: Do not our Canadian fire insurance companies have to compete with outside companies that come in here and take risks at a very much lower rate?

Mr. WHITE: We had a rather extensive discussion of this question last night, when I pointed out that these companies were not domiciled here and had not agents here. My hon. friend was absent last night, but he will see by Hansard that the matter was very fully discussed.

Section agreed to.

On section 4:

That every cable and telegraph company shall pay for Consolidated Revenue Fund a sum equal to one cent upon each despatch or message other than press despatches or messages originating at the offices of the company in Canada and transmitted thence over the company's lines for which a charge of fifteen cents or more was imposed, the company having the right to charge the one cent to and collect the same from the person paying or liable to pay the regular charges for the transmission of the despatch or message;

Sir WILFRID LAURIER: My objection to this tax is that it is not upon the company, but upon the clients of the company. The company will of course pay the tax to the Government, but they will take care to charge it to their clients. I understand that telegraph and cable companies are doing a very profitable business, very profitable in every sense, and I think my hon. friend would do well to reverse his policy and tax the company instead of the senders of the messages.

Mr. WHITE: We have given this matter very careful consideration. I think my right hon. friend will find that the profits of telegraph companies are not large. They have to compete with telephone companies, and perhaps my right hon. friend had in mind that telephone companies should also be directly taxed; but the difficulty that arises in connection with directly taxing telephone companies is that there are, as my right hon. friend knows, joint stock telephone companies doing business in Canada which have franchises and privileges from this Government or from other Governments. There are also co-operative telephone companies to compete with, and, in addition to that, Government-owned telephone systems. I considered very carefully the imposition of a tax upon telephone companies, but when I pursued the matter I found myself brought up against the co-operative telephone companies and the Government-owned telephones in the provinces of Manitoba, Alberta, and Saskatchewan. It appeared to me that it would be unwise, even if we had the power, which I very much doubt, for the Government to tax the Government-owned telephone systems in the provinces of Manitoba, Alberta and Saskatchewan; and after a very full consideration of the whole question we reached the conclusion that we could not properly tax the telephone companies. Any legislation of that kind should be general in character, and not aimed at one or two individual companies. Speaking generally, those who use the telephone and the telegraph are the well-to-do members of the community; there are exceptions, of course, but what we had in mind was the levying of the tax upon those of the population who might reasonably be expected to contribute to this war taxation. Under the circumstances, therefore, we imposed the tax, as my hon. friend has said, upon the sender of the message.

There is another consideration that I am sure will appeal to my right hon. friend. The question of tolls charged by telegraph and cable companies has been very frequently discussed in this House, and it is one of great concern to the commercial community. For reasons that it is not necessary to go into here, as they have been so often put forward in this House, I think it is extremely advisable that our cable tolls should be as low as possible.

Mr. A. K. MACLEAN: How much do you expect from this?

Mr. WHITE: We calculated, but it is only an estimate, to receive something in excess of $100,000.

Sir WILFRID LAURIER: I must say that I am not thoroughly convinced, and for the good reason that my hon. friend has been discussing telephone, not telegraph, companies. The two things are very different, but I will take up what my hon.

friend has said about telephone companies. I would not suggest that we should tax the Government telephone systems. I would doubt our authority to do that, though I believe we might find authority. Government telephones were established because it was supposed that the tolls of the telephone companies were too high, and that a better service, or at all events a cheaper service, could be given by the governments. I understand that the experiment has not been a very great success in some parts of the country where it has been tried, and I do not for a moment suggest that we should tax the government telephones or the co-operative telephones either. But let us come to the concrete fact that there are telephone companies in Canada; and there is reason to believe, I may say it is a well-known fact that some of them, and I think all of them, are very successful. Their stock is one of the best that can be had on the market to-day, and I see no reason why under the present circumstances these companies should not be subjected to the imposition of the taxation which is being placed upon every citizen. It is expected that under this tariff, which is a war tariff, every citizen shall contribute his quota to the undertakings we have in mind. I cannot see any good reason why the powerful companies which I have just mentioned should not pay their share the same as any other member of the commuity, and I believe my hon. friend would have been well advised if he had brought these companies under the operation of the Bill.

Mr. WHITE: After all, these companies are owned by their shareholders. Their shareholders are subject to this taxation because they will pay the tax, just as other citizens will, in the telegraph and cable messages which they send.

Mr. PUGSLEY: They do not pay it as shareholders.

Mr. WHITE: No, not as shareholders.

Mr. PUGSLEY: Those who are not shareholders pay the same.

Mr. WHITE: I agree, but they are shareholders of the company and they will pay their share of the tax in the telegrams and cables that they send. I do not agree with my hon. friend that there are many telephone companies that are doing well in Canada. The Bell Telephone Company is a fairly strong institution, and probably that is the company that my hon. friend had in mind. My view is that tolls imposed directly upon public service corporations will be shifted upon the public. Having regard to considerations of that character, namely, the existence of co-operative companies and of government systems, which in competition with the telephone companies have had their effect upon tolls, it occurred to me that it would be invidious to select one company and impose a special tax upon it and not deal with the telephone or telegraph companies as a class. When I am framing legislation I like to deal with a class and if I find I cannot deal with a class I feel reluctant to proceed with the measure. If you pursue such a course you select from a class one, two, or more, and impose your tax upon them. This tax seems to me to be a very reasonable tax which will fall upon a body of citizens who are well able to pay it—business houses, commercial firms, railway companies and individuals who are comparatively well-to-do—and who can afford to pay this comparatively small tax upon telegraph messages and cables.

Mr. A. K. MACLEAN—What is the gross income of the two leading telegraph systems in Canada—the Western Union and the Great Northwestern, which are looked upon as one—I may not be correct in that—and the Canadian Pacific railway?

Mr. WHITE: I am unable to give my hon. friend that information.

Mr. MACLEAN: Would it not have been just as fair to have taxed the income of telegraph companies at such a rate as would yield the $100,000 that the minister anticipates getting from this source as to levy a tax of one per cent upon the gross income of loan and trust companies as provided in clause 2 of the resolutions? It is the same principle and I would have thought that it would have been a very good principle indeed to have applied to the telegraph companies. I think they might very well pay that.

Mr. WHITE: I do not agree with my hon. friend. I think there is a clear differentiation between the case of financial companies and that of companies such as we are now considering. We make the companies our collectors of the tax. I do not desire to go over the argument that I have already advanced as to the competition which these companies meet. It is not true in the case of financial institutions, or it is true to a very limited extent. It may be true as far as the post office savings are concerned but in practice there is no active competition to be met by finan-

cial companies while there is a very active competition prevailing with respect to telephone companies.

Mr. MACLEAN: I am eliminating the telephone companies.

Mr. WHITE: Well then the telegraph is in competition with the telephone. Telegraph companies have complained to me that we have not taxed telephone messages.

Sir WILFRID LAURIER: Of course.

Mr. WHITE: My right hon. friend says "of course." There is a great deal of wisdom in that remark because we all like to have the taxes put over on the other man. That is human but I have to hold the scales of justice as fairly as I can.

Sir WILFRID LAURIER: That is what my hon. friend does not do.

Mr. WHITE: My right hon. friend, if he were less biased, would see that I have held them very evenly. My right hon. friend should know that justice is blind.

Sir WILFRID LAURIER: I see that now.

Mr. WHITE: Does my right hon. friend suggest that he is blind? He is blind to the merits of the proposals that this Government bring forward. There have been complaints made to me that we have placed a tax upon telegrams and not upon telephone messages. I considered the question of placing a tax on telephone messages but I encountered the government-owned and co-operative telephone companies throughout the country. I considered a wide range of companies for the application of this tax but I found difficulties in connection with a great many that I should very much liked to have taxed.

Sir WILFRID LAURIER: My hon. friend has given a very good reason why this whole attempt at taxation is wrong. Instead of placing his tax upon telegraph companies he places it upon the clients of the companies and he says that it will not weigh very heavily upon the clients of these companies at all but that it will be paid by the wealthy corporations, the railway companies, mercantile firms and other firms of that kind. It is very true that they are chiefly the clients of the telegraph companies but if these parties have to submit to taxation why not the telegraph companies also who are wealthy companies? It would have been fairer to have placed the tax upon the companies themselves. If you have a tax it should be placed upon the stock of the company and not upon the clients of the company.

Mr. PUGSLEY: We find that the Minister of Finance proceeds in regard to the tax on railway tickets along the same lines. He will not tax the railway company but he is going to tax the individual, the man who buys the ticket, and he is going to tax the man who sends the telegram. That is the whole trouble with my hon. friend. He wants to exempt these corporations. He says that railway companies, telegraph companies and telephone companies should not be taxed but that if there is any tax to be paid at all it ought to be paid by the people who use these services. The minister says they are quite able to pay. That is true if that were the only burden placed upon them but, under this measure, they have to pay an increased tariff upon what they wear, upon their clothing, upon practically everything they use, if they travel on the railway they have to pay the extra tax upon their railway ticket, if they send a telegram they have to pay the extra tax on the telegram, and the result is that you are going to burden the common people, the mass of the people, with this tax to such an extent that if they want to live at all they will have to get down to a pretty low diet—something like the Germans, pancakes, potatoes and buttermilk.

Mr. WHITE: And squid.

Mr. PUGSLEY: When my hon. friend, being filled with glory, departs from this life there will be found graven on his heart the word "squid."

Mr. WHITE: As far as I am concerned I am going to declare a truce between my hon. friend from St. John and myself on the word "squid." We all make an occasional mistake and it should not be magnified. I have always had a great deal of admiration for the control which my hon. friend is able to exert upon his countenance, but I do not know that his features were ever so impassive as they were when he made the statement that this measure relieved the large corporations and placed the entire burden upon the common people. My hon. friend spoke in regard to the railways. He knows to what extent the railways of Canada, with one exception, are capable at this particular time of bearing a heavy load of taxation.

My hon. friend also knows, because it would not escape his observation, that we are im-

posing an exceedingly heavy tax upon the railways of Canada by our measure as a whole. If he will take the trouble to look into it, he will ascertain that the Canadian railways will pay no less a sum than $1,000,000 a year—I think $1,250,000—in increased duties upon coal. The charges upon their administrative offices in connection with the war stamp taxation upon letters will run into very large sums. I do not desire to elaborate that point too greatly here, but the railways of Canada have certainly not been overlooked in this taxation measure.

My right hon. friend has said that the banks have come off very easily. I would point out to him that a taxation measure, imposing a yearly tax of $150,000 on the Bank of Montreal, $135,000 on the Bank of Commerce, and $60,000 on the Imperial Bank, and proportionate amounts on the other banks, can hardly be regarded as a measure not imposing heavy taxation upon those institutions.

Sir WILFRID LAURIER: Big amounts, but only one per cent.

Mr. WHITE: One per cent seems small, but the total amount is large, and my right hon. friend must remember that it is an annual charge. If my right hon. friend, during his term of office, had been of the view that the banks could well stand a higher rate of taxation than one per cent upon note circulation in return for the privilege of note circulation, he would not have hesitated to employ that method of raising money unless he felt unduly tender towards those institutions.

Sir WILFRID LAURIER: Nothing of the kind.

Mr. WHITE: We are breaking new ground.

Mr. PUGSLEY: My hon. friend speaks about taxing the banks one per cent. Take the ordinary people of this country. Does not my hon. friend think they would be well satisfied if their taxation did not amount to more than one per cent of their income? The ordinary man with an income of $1,000 a year would be glad to get off with a tax of only $10. His share must be more than that, owing to the extra tax on food and clothing, and still more if he burns soft coal for heating his house, as many people do. In the town of Campbellton, N.B., hardly a ton of hard coal is used. People burning soft coal have to bear the increased duty just as much as the railway companies. My hon. friend says that some railway companies will pay a tax of $1,000,000 a year.

Mr. WHITE: The three railways together.

Mr. PUGSLEY: I suppose the total income of the three railways would be about $150,000,000.

Mr. WHITE: How much net income?

Mr. PUGSLEY: I am speaking of the total income. Very few of us have a net income. The ordinary man earning $1,000 a year has not very much left by the time he has paid out the various expenses incident to his living. If he makes ends meet by the end of the year, he has done well. The Minister of Finance is trying to single out the corporations for exemption. He has no regard for the mass of the people of this country; he puts the tax upon them without any apology at all. He does not endeavour to show how they can be exempted; but when it comes to great corporations, with a total income of $150,000,000 a year, he points out how heavily they are taxed. Take the Bell Telephone Company, which has for years paid a dividend of 8 per cent, and which is one of the strongest institutions in this country, operating in the provinces of Ontario and Quebec, and having a monopoly in cities like Ottawa, Toronto and Montreal.

Mr. WHITE: All taxed.

Mr. PUGSLEY: It is certainly a monopoly, because there are no other companies competing with it to any extent. My hon. friend does not propose to put any tax at all upon that company. Take the Western Union and the Great Northwestern Telegraph Companies. The Western Union has an enormous capital. My hon. friend does not propose to make those companies contribute one cent of this tax; but if a poor man sends a telegram he has to bear the burden and pay the extra toll.

Take the street railways in Montreal, Toronto and all the other great cities of Canada. Are they not to contribute out of their handsome profits? Not one cent is imposed upon them. If it were of any use at this late hour, I would urge my hon. friend to impose a tax upon them, but he would say: Oh, see the burdens that those street railway companies have to bear. He forgets that those street railways carry hundreds of thousands of people every day, and that their incomes are enormous. If my hon. friend had considered ways and means

of getting a reasonable tax out of those wealthy corporations, he would have done much better than he has by imposing a tax upon the mass of the people who are least able to bear it.

Mr. WHITE: My hon. friend speaks of the great incomes of the railway corporations, but let me put the question to him fairly. In dealing with taxation measures, we have to deal with classes; we have to deal with institutions belonging to a class as a whole. We can not single out for special taxation a wealthy corporation or individual, and pass over those less wealthy of the same class. How much taxation would the Grand Trunk Pacific Railway Company be able to stand to-day? My hon. friend says that the average citizen has to pay more for his coal; the railway companies, as I have pointed out, have to pay more for their coal. The banks will be subject to nearly all those taxes which are imposed in our fiscal measure, either by themselves as institutions or by their shareholders who are the proprietors.

Mr. PUGSLEY: I understand that the banks all heat their buildings with hard coal.

Mr. WHITE: We have levied a special tax upon the banks. My hon. friend knows, because his mind is too clear and he is too able a man not to know, that there is only one railway company in Canada able to sustain the burden of heavy federal taxation. He asks why I did not turn my mind to the question of street railway companies. I did consider that question. In Canada there are three or four street railway companies of a local character that might fairly have been made subject to this taxation; but the Dominion Government must not occupy the entire field of taxation. I want to leave something for the provinces. The provinces have to face the situation created by the war, and it was the object of the Government not to pre-empt or occupy the entire field to obtain a comparatively small amount from the half-dozen or less street railway companies in Canada. It seemed better to us that the Dominion Government in its legislation relating to taxation should take a broader sweep and deal only with those institutions and organizations and companies that are carrying on a Dominion business, and that it should leave something for the provinces, because it is increasingly apparent to me that the war has brought them almost as difficult problems as those with which the Dominion has had to grapple. I do not believe it would have been proper for the Government to have invaded the field of the provinces by imposing special taxes, say, upon picture-shows, theatres, and surface railways. I wish to leave those for the provinces, and I think it is sound policy.

Mr. PUGSLEY: Do not the masses of the people have to bear their burden of provincial taxation already? Why does not he leave the field so far as they also are concerned to the provincial governments and the municipalities? This is an extra tax by reason of existing conditions.

Mr. WHITE: My hon. friend's question is very easily answered. The provinces do tax the ordinary man for municipal and provincial purposes, just as the Dominion taxes the ordinary man through its fiscal system. What I had reference to was special taxation necessitated by the outbreak of this war, and I said it was advisable, in my opinion, that we should leave something of a special character for the provinces, which have to meet almost the same conditions as those with which we are confronted as the result of the outbreak of the war. I think there would have been complaints from one end of Canada to the other if the Dominion Government had invaded the field of the provinces and imposed a tax in addition to the tax, say, which the province of Quebec has recently imposed upon purely local undertakings. We must have some regard to provincial rights and necessities at a time such as this.

Sir WILFRID LAURIER: I fail to see what connection there is between this kind of taxation and the provincial taxation. My hon. friend gave as a reason why he should not tax the large corporations, railways for instance, that one railway could have borne additional taxation. I have no doubt whatever that some of the railway companies, perhaps all but one, would have had some difficulty in meeting extra taxation; but does the hon. gentleman contend that the new taxation he is imposing on individuals will be met without difficulty? The same thing that applies to a corporation applies to an individual. There are hundreds of thousands of individuals who find themselves in the same circumstances as the Grand Trunk railway or any other corporation. The hon. gentleman argued strongly to prove that all classes should bear their share of the taxation. It is no answer to that to say that one class should not be called upon to bear its share of the taxa-

tion because it would find it difficult to pay. If that is what the hon. gentleman thinks, better wipe out this taxation altogether, for he knows as well as I do that many an individual called upon to bear this extra taxation will find it just as difficult to pay this ten dollars as the Grand Trunk railway would find it to pay half a million.

Mr. MICHAEL CLARK: If I see the point that the minister tries to make, I think there is something in his contention, especially as he supports it by citing the well-known fact that there is only one railway company in Canada that is earning a real income. He makes a distinction which I think ought to be made between the gross takings of a corporation and the actual income of that corporation. I think there is a great deal in that contention. But he can hardly expect me to point that out without going on to say that that very contention, supported by that fact, makes it obvious that for the taxing of these corporations the income tax would have had very great advantages. He contends that a tax upon gross takings would be an injustice to the corporation which in spite of its gross takings does not have an income. It follows equally—does it not,—that leaving incomes untaxed is something of a favour to the wealthy corporations that do have incomes. Clearly, the income tax would have caught the wealthy corporations and, quite properly, would have allowed those to escape that have no income. I am sure he will not think I am trying to hold up the work of the committee if I take the time to score a little point in favour of the form of taxation that I proposed in the course of the Budget debate.

Mr. A. K. MACLEAN: I desire to read from this morning's Citizen something abouts the earnings of the telegraph companies:

The report of the comptroller of statistics, Mr. J. L. Payne, shows that on a total capitalization of $7,100,000 gross earnings of the various companies were $5,983,204 and operating expenses $4,242,539.

Here is an excess of earnings over expenses of $1,740,665.

The Canadian Pacific railway telegraph earned $2,991,273, the Great Northwestern, $1,252,930; Western Union (Canada) $668,252; Canadian Northern $264,615 and Marconi Wireless $239,-906. Land messages numbered 11,980,869 and cables 983,061.

One cent each on the total number of messages I have quoted would give the revenue the minister anticipates.

Mr. PROULX: If the income tax could be easily collected and without great expense I should certainly be in favour of it. I know something about it because my sessional indemnity was assessed some years ago and I fought the assessment, but the court held that my indemnity was assessable, and I have been paying taxes on it ever since. I think the income tax is a just tax, and all those that get sufficient income to enable them to pay ought to be made to pay. The great disadvantage that I see in it is that the minister would have to appoint a large number of collectors, and God knows there are enough civil servants already. Perhaps he could use a large number of those who are in the employ of his colleague the Minister of Inland Revenue, who are getting reasonable salaries and have nothing, or almost nothing, to do. The other night some hon. members from the maritime provinces told us that they had in their counties officers receiving from $200 to $400 a year who have nothing to do, and these could be easily employed in collecting the income tax. An income tax was imposed in the United States a few years ago on salaries over $3,000. I do not think there could be any injustice if men were taxed on income in excess of $3,000. In Ontario the municipal income tax reaches salaries over $1,200 in municipalities under 10,000 population an $$1,500 in municipalities of over 10,000 population. I think it is only just that persons who receive an income of more than $2,000 should pay a tax upon it for Federal purposes.

Mr. A. K. MACLEAN: Will the Government have to pay this one-cent toll on their messages?

Mr. WHITE: No statute applies to the Crown unless it is specially so provided.

Section agreed to.

5. That every purchaser of

(a) a ticket or right entitling the purchaser to transportation over a railway to any place in or outside of Canada;

(b) a ticket or right entitling the purchaser to transportation by vessel between ports or places in Canada or from a port or place in Canada to a port or place in Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States;

(c) a ticket or right entitling the purchaser to transportation over a railway and by vessel to a port or place in Canada, Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States, whether such transportation be by railway and vessel,

or by vessel and railway, or by railway, vessel and railway;
shall, in addition to the regular charge for the ticket or right, pay to the person selling the ticket or right, for the Consolidated Revenue Fund, in respect of a ticket or right costing—
(i) over one dollar and not more than five dollars, five cents;
(ii) over five dollars—for each five dollars and in addition for any fractional part of five dollars, five cents.

Mr. J. J. HUGHES: If the minister will permit me to ask a question with regard to section 1, may I inquire if he is aware that the banks will shift the tax placed upon them to the shoulders of their customers?

Mr. WHITE: I am not aware that that will occur. On the contrary, I have received letters from banks stating that they will be glad to pay the tax, and to pay it themselves. I do not believe the payment of the tax will be shifted.

Mr. HUGHES: I have received a letter from a wholesale house in Montreal stating that the rate of discount on commercial papers has been raised by a certain bank. In this way they will take the amount of the tax from their customers.

Mr. WHITE: I should think that that is a case of post hoc, ergo propter hoc.

Sir WILFRID LAURIER: Everybody who can shift this tax to somebody else will surely do so; that is human nature. I protested some days ago against this method of levying a tax on railway tickets; I shall not now repeat my objection. I should like to have an explanation as to why this tax is limited to certain classes of travel. This provision includes the following paragraph:

A ticket or right entitling the purchaser to transportation by vessel between ports or places in Canada or from a port or place in Canada to a port or place in Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States.

Nothing is collected from passengers on steamers which are leaving every week for Great Britain and for European ports.

Mr. WHITE: That is covered in the next section.

Mr. VERVILLE: Would it not be much better to impose a tax of one per cent on the value of every ticket purchased? A person who buys a first-class ticket at $2 pays the same tax as a person who buys a first-class ticket at $4.99. Those who buy first-class tickets are probably better able to pay the tax; they consist of agents of wholesale houses, etc. The tax which the minister proposes is virtually a one per cent tax upon tickets costing from $1 to $5. If one per cent were the basis, a person buying a ticket costing $1 would pay one cent, and a person buying a ticket costing $4 would pay four cents; there would be a uniform basis of some kind. I direct the attention of the minister to the fact that the poorer people do not often travel far, and do not pay high prices for tickets.

Mr. WHITE: My hon. friend will recognize that we must fix a point in respect of which a certain rate shall apply. We have fixed upon one dollar, we have said that with regard to tickets that cost less than one dollar there shall be no taxation, but upon tickets costing from one dollar to five dollars, five cents must be paid. That means that there is a maximum taxation of 5 per cent and a minimum taxation of one per cent. As between the poor man who travels but little and the ordinary citizen or the wealthy man who travels much, my hon. friend will bear in mind the fact that every time a person travels he must pay a tax. The representatives of wholesale houses, therefore, to whom my hon. friend has referred, and persons who travel considerably and can afford to do so, will have to pay the tax very many more times than those who travel but little. Again, wealthy members of the community, generally speaking, travel longer distances, therefore will have to pay more, because the tax increases as the price of the ticket increases. It was suggested to me—I do not propose to argue the matter at length—that a much larger tax should be imposed for the greater distances. We gave that matter —which affects also the tax upon parlour car seats and sleeping berths—very careful consideration. It must be remembered that our Canadian railways are in competition with the American roads and that, owing to the geographical position of Canada, it is quite possible to go from one part of Canada to another, especially to a remote part, by going through the United States. If, therefore, I imposed an unduly heavy tax upon tickets for the longer distances, people living say in Toronto, Montreal, Chatham, Windsor—especially in cities near the border—would buy their tickets in the United States and go via the United States for the greater part of their journey. Having regard to all these considerations, we reached the conclusion that the tax should be comparatively small and uniform, so the burden should fall upon that part of the community most capable of bearing it. As

a rule, the persons who travel the greater distances and the more frequently are better able to pay than those who travel but little.

Mr. PROULX: If a person buys a book of commutation tickets, will he pay the tax when he buys the book or when the coupons are collected on the train?

Mr. WHITE: He will have to pay when he buys but my hon. friend will remember that there is a dollar of exemption.

Mr. VERVILLE: Has the minister thought about the great number of people who travel through the country on passes and who could well afford to pay a tax?

Mr. A. K. MACLEAN: Only members of Parliament.

Mr. VERVILLE: I know there are more than members of Parliament. I was in a car recently and there were at least twenty-five of us and only two had tickets. It seems to me that those who were in the car could well afford to pay the tax.

Mr. WHITE: My hon. friend, I am afraid, is really trespassing on dangerous ground in reference to one of the most sacred privileges of the members of this House.

Mr. VERVILLE: That makes no difference, they can afford to pay better than the poor man.

Mr. WHITE: If every hon. gentleman starts to his feet at once and says he would be very glad if the Government would take into consideration a comprehensive plan of taxation whereby every time he uses his pass, which is his by virtue of statutory law, he would pay a substantial tax I would not say that we would at once move that the idea be translated into legislation but I can promise that I would take it into my most serious consideration.

Mr. PUGSLEY: And private passes and private cars also?

Mr. VERVILLE: I mean all passes, the members of this House can as well afford to pay a tax as any one else. I am willing to do it and I do not see why it is not done.

Mr. LAW: Do I understand the minister to say that there will be no special taxes on railway passes?

Mr. WHITE: The passenger must be the purchaser of a ticket before the tax applies, otherwise I do not think it could be enforced.

Mr. PUGSLEY: This provision exempts not only passes but private cars as well?

Mr. WHITE: My hon. friend has referred much more frequently to private cars since he has occupied a seat on that side of the House than he is reported in Hansard as having referred to them during the entire period of his occupation of a seat on this side of the House.

Mr. PUGSLEY: When I was a minister under the last Government the number of private cars available for the ministers was very much fewer than it is under this Government

Mr. HAZEN: My hon. friend used to charter a private car in the United States when he wanted one.

Mr. PUGSLEY: Only on two occasions when I went to the West in my capacity as Minister of Public Works. I notice now that if a minister wants to go to St. John or to Montreal or to Toronto he has a private car. Nothing of the kind existed in the days of the Liberal Government.

Mr. WHITE: In the days of old.

Section agreed to.

On section 6:

That every purchaser of a berth in a sleeping car or seat in a parlour car shall, in addition to the regular charge for the berth or seat, pay to the person selling the berth or seat for the Consolidated Revenue Fund—

(a) ten cents in respect of each berth bought;
(b) five cents in respect of each seat bought;

Sir WILFRID LAURIER: What will be the tax in the case of long distance travelling, say if a man buys a pullman ticket from Ottawa to Winnipeg?

Mr. WHITE: Just the same.

Sir WILFRID LAURIER: What would be the tax paid by the traveller who leaves Ottawa for Winnipeg and who has a pullman ticket that entitles him to a seat in the day time and a berth at night? How much would he pay?

Mr. WHITE: He would pay 10 cents in respect of each berth and 5 cents in respect of each seat. If the berth gave the right to a seat in the day time the whole tax would be 10 cents. We must have regard, in considering this legislation, to the condition of travel that actually exists. I pointed out that this tax, instead of being a light tax, was really a very heavy tax. A passenger, a citizen of Toronto, is proceeding to Hamilton. He takes a seat in

the parlour car. The charge for that to-day is 25 cents. He will now pay 30 cents. That is to say, we have taxed him 20 per cent, or one-fifth of the amount. It is true that for long distances, say from Montreal to Winnipeg or Vancouver, the same rate applies; but as I pointed out, the travelling public are those who travel frequently and the tax will average up well and be a very substantial tax upon that part of the community, the travelling men, who are usually quite able to pay the tax. There is further consideration that I mentioned when discussing the former section that if we increased this rate beyond a certain point the passenger at Windsor or other border points would simply purchase a ticket to Detroit and there buy his sleeping car accommodation and parlour car accommodation through the United States to the boundary of Canada on his way to Winnipeg or Vancouver. That would result in a discrimination against Canadian railways. We have given full consideration to the matter and I believe the conclusion we have reached is wise.

Mr. SCHAFFNER: That would only apply to the border towns like Detroit where they could cross over.

Mr. WHITE: There are many border towns.

Mr. SCHAFFNER: Does a traveller pay only 10 cents for his pullman going to Vancouver?

Mr. WHITE: Yes, that is all.

Sir WILFRID LAURIER: It seems to me that the whole system is really a discrimination against the poorer travellers. Here are two men going from Ottawa to Montreal. One man takes a first-class ticket and pays $3.35. The other man takes a second-class ticket and pays $2.75. They both pay 5 cents tax, the poor man pays just as much as the wealthy man. It seems to me that there should be a graduation. My hon. friend has considered only the distance, but the very essence of our travelling system is that there is a difference in the prices to be paid. There is a price for the poor man and a price for the wealthy man. That is why there are two classes of railway carriages, simply because the poor man cannot afford to pay as much as the wealthy man; but yet you make him pay the same amount of taxation upon his ticket. Take a man who goes to Toronto. He pays from Ottawa to Toronto, first-class, $7.70, and second-class $6.40. On both classes of ticket the tax will be 10 cents. The poor man will pay as much as the wealthy man. There is no justice in that, and the graduation should be as I suggested. A man goes from Ottawa to Winnipeg. He pays for his first-class fare $34.70. Another man, travelling second-class, pays $26.50. One will pay 30 cents and the other 25 cents, a difference of only 5 cents in taxation for that immense distance. Moreover, the man who travels first-class will probably take a pullman car, for which he pays $7.75 from Ottawa to Winnipeg, and he will pay on that pullman ticket only 10 cents of taxation. It seems to me that the whole thing is inconsistent.

Mr. WHITE: My right hon. friend has chosen just those instances that fit his argument. Take the case of a first-class ticket that costs $1 or $1.10; a second-class ticket for the same distance would cost under a dollar; what happens there? Just let me turn the argument on my right hon. friend. The poor man pays nothing.

Sir WILFRID LAURIER: That is fair.

Mr. WHITE: I have no fault to find with it; we intended that that should be so; but the man who buys a first-class ticket costing over a dollar pays 5 cents. Take another case. How much would the man have to pay who buys a second class ticket costing under $5, say $4.75, $4.80 or $4.90? He pays 5 cents. Suppose the first class ticket is $5.50; how much does that man pay? He pays 10 cents, just double. Of course if my right hon. friend takes only those cases that happen to be inside the five dollar unit, he will appear to prove his case. But he has entirely failed to take into consideration the equally large number of cases in which the first-class traveller will, as compared with the second-class traveller, pay double when the second-class ticket is just under five dollars. My right hon. friend made another point, and he made it the other day too. He took the case of a poor man buying a second-class ticket from Ottawa to Montreal. It was quite a picture that he painted of the youthful scion of wealthy parents lolling in luxury and paying only 5 cents for his seat; but my right hon. friend failed to point out that the man in the parlour car pays a tax upon his ordinary railway ticket, which would be first class, and, as I have shown, the tax might be considerably in excess of what the man with the second-class ticket would have to pay. The man with the first-class ticket pays not only

5 p.m.

the extra 25 or 50 cents, which is the normal charge for a seat in the parlour car, but five cents as well; and it is proper that he should.

Sir WILFRID LAURIER: Certainly.

Mr. WHITE: I have done even-handed justice between the man who buys a first-class ticket and a seat in the parlour car, and those less fortunate members of the community who cannot afford that. My right hon. friend always travels in the parlour car and I should not like to see him travel in anything but a parlour car. But there is this further consideration, and I submit that this whole question cannot be discussed unless we have regard to it all the time. Nothing would please me better than to impose a larger tax according to distance; that occurred to me at the outset, just as it did to my right hon. friend. It is revenue that I want, and if I could get a larger revenue by imposing a higher tax between Toronto and Vancouver, I should be delighted to do it. But we must bear in mind two things: first, if you increase the tax unduly you will discourage travelling; and secondly, if you impose a substantial tax according to distance, you will divert to the United States the travel which should go over Canadian lines; and I have not in mind advantage to Canadian railway lines only, but to the Canadian public as well. Having regard to all these considerations, and to the conditions that exist in Canada, which has a boundary line of practically four thousand miles separating us from the United States, which has a network of railway lines leading up to our border, I think this taxation is fair and just and necessary.

Sir WILFRID LAURIER: I do not object to the tax; I think it is fair enough if we have to have a war tax. But what I do object to is the basis upon which it is founded. My hon. friend has completely ignored the basis upon which we travel; that is, that there are two classes of travel, and therefore two different prices. My hon. friend has put them exactly on the same footing, and that is the fault I have tried to find. My hon. friend says that I travel in the pullman car.

Mr. WHITE: I hope you do.

Sir WILFRID LAURIER: My poor means permit me to pay for that, but it seems to me that if I want to enjoy the luxury of travelling in a pullman car and can afford to do so, I should be called upon to pay more than the poor man who cannot travel in the pullman. The man who goes in a pullman car from here to Montreal is charged only 5 cents, when that very man would give more as a tip to the nigger who attends on him.

Mr. WHITE: My right hon. friend says that his poor means enable him to travel in the pullman car Now, if I imposed an undue tax I should perhaps be depriving him of that privilege, for he might not be able to afford it. There is another point. If I increase this tax beyond 5 cents, the porter may be deprived of that tip which is his by immemorial right, and the Government of Canada would be enriching itself at the expense of one of the most deserving classes in the community. I must bear all these things in mind.

Sir WILFRID LAURIER: Hear, hear.

Mr. PROULX: The companies could pay their porters.

Section agreed to.

On section 7:

That every purchaser of a ticket or right entitling the purchaser, either with or without intervening transportation, to transportation by vessel from a port or place either in or outside of Canada to a port or place outside of Canada other than in Newfoundland, the West Indies, Bermuda, British Guiana, British Honduras or the United States shall, in addition to the regular charge for the ticket or right, pay in respect of the transportation by vessel to the person selling the ticket or right for the Consolidated Revenue Fund—

(a) the sum of one dollar if the amount chargeable for such transportation by vessel exceeds ten dollars;

(b) the sum of three dollars if the amount chargeable for such transportation by vessel exceeds forty dollars;

(c) the sum of five dollars if the amount chargeable for such transportation by vessel exceeds sixty-five dollars;

Mr. PROULX: This will be a very heavy tax on those going home third-class to visit their parents in the old country.

Mr. WHITE: Oh, I think not. As the resolutions were brought down originally the rates were fixed on the same basis as the rates out of American ports. Of course, if the tax upon these tickets brought the Canadian rate higher than the American rate, we should divert to American ports the travel which now goes from our own ports. The tax is fairly heavy, but the total amount we expect to get is comparatively small, probably $15,000 or $20,000. That is not a very large amount. As my

hon. friend will see we have made a differentiation: the sum of one dollar is charged if the transportation exceeds $10, and $3 if it exceeds $40. We understand that the second-class passages are below $40, so in section (b) we made it $40 instead of $30, so as to make the tax less in proportion for those buying tickets under $40. The railway tax is a very small one, a five cent tax so to speak; but this tax is larger. The total amount that will be collected, however, will not be very much, and on the whole I think this proposal may be regarded as very fair.

Mr. VERVILLE: Take those who travel steerage. The price of a ticket to the old country is $33.50, I understand.

Mr. WHITE: One dollar.

Mr. VERVILLE: The first and second class will pay more?

Mr. WHITE: It depends upon the cost.

Mr. VERVILLE: The second-class fare is $52.50.

Mr. WHITE: Then the tax will be $3.

Mr. VERVILLE: The steerage will not be any more?

Mr. WHITE: One dollar.

Sir WILFRID LAURIER: How much do you expect from this?

Mr. WHITE: The estimate is low, $15,000, but I think it may be more. It is a small tax and the question might almost arise whether it is worth while.

Sir WILFRID LAURIER: I think that estimate is too low.

Mr. WHITE: I think it is too low; I think it will be more.

Mr. J. J. HUGHES: Will it be collected from those who travel on Government steamers?

Mr. WHITE: Yes.

Section agreed to.

8. That no person shall issue a cheque payable at or by a bank unless there is affixed thereto an adhesive stamp, or unless there is impressed thereon by mean of a die, a stamp of the value of two cents;

Sir WILFRID LAURIER: How much is expected from that?

Mr. WHITE: From cheques, bills of exchange and premissory notes I expect to receive $600,000. I do not believe it is possible to make an accurate estimate.

[Mr. W. T. White.]

Sir WILFRID LAURIER: This is one of the things in regard to which I would have supposed that the calculation would be very accurate because every bank knows how many cheques pass through its hands every year.

Mr. WHITE: The difficulty is that so many cheques and drafts pass between the branches of the banks themselves. I do not believe they are kept separate as to number. At all events, the estimate I have is about $600,000.

Mr. DOUGLAS: In estimating the amount the minister expects to derive from this tax, has he taken into consideration the amount that has been passing through the banks during the past year?

Mr. WHITE: I have no accurate information and this is only an estimate. My officers made certain inquiries but we have not before us the facts upon which an accurate computation can be made. I understand it is not possible to obtain it from any of the returns.

Mr. DOUGLAS: I would think that probably large firms who have hitherto been paying by cheque might draw one large cheque and pay out currency. In that event the revenue would be very much less than the minister thinks.

Mr. WHITE: That is quite possible. I should think that, in regard to the very small cheques issued by business houses, they might not issue so many as they have in the past. They might draw a cheque and disburse the currency. On the other hand, the tax is comparatively small, and the inconvenience, not to say the danger of keeping on hand large sums of money, would, I think, be such that the tax would not be likely to restrain companies or firms from carrying on business in the same way as they have in the past, or practically so.

Mr. E. LAPOINTE: May I call the attention of the hon. Minister of Finance (Mr. White) to the experience of Germany with regard to a tax on cheques? In 1913, when Germany had to revise and modify her whole system of taxation as the result of her enormous increase in her naval and military expenditure, they enacted four laws. One was to modify the financial system of the Empire and to provide for an increase in the war fund; the second was to provide for the levying of what was called a special and extraordinary military contribution; the third was to impose a tax on

the increase of private fortunes having reference to both income and capital, and the fourth, which is the one that I want especially to draw the attention of the minister to, was a modification of the stamp tax. They repealed altogether the stamp tax on cheques which had been imposed in 1909. They did it because experience had shown that they derived from it the very insignificant revenue of 3,000,000 marks, equal to about $750,000. It was found to be an impediment to business and a great restriction on the normal development of circulation. They repealed it altogether while increasing all other forms of taxation. I think the Minister of Finance ought to be guided by the experience of Germany in that regard because there is no country that has had to levy taxes on account of military expenditure as Germany has had to do during the last few years, and especially after the speech of the hon. member for Calgary (Mr. Bennett) who, I am sure, would second my view in the matter.

Mr. WHITE: I think that a tax of this kind is not likely to be an impediment to trade because a stamp tax has been in vogue in Great Britain, which is the greatest commercial country in the world, and it has probably very many more transactions in cheques than Germany has. As far as I can ascertain there is no likelihood of their changing that system. There is also a system of stamp taxes upon cheques in the United States. Whether it is in existence to-day or not I do not know, but it was during the Spanish-American war. In connection with the consideration of this Bill, I took the trouble to communicate with an American banker in New York and with several others with reference to their experience in respect to this tax. This gentleman in New York said that it had given very little trouble, that it had been accepted by the community and he was entirely favourable to a tax of this kind in connection with the raising of revenue for the purposes of war.

Mr. CASH: I think that in the United States if you draw a cheque on your own bank it is not taxed, but where your cheque passes over to some other bank the stamp tax is enforced.

Mr. J. J. HUGHES: I would like to draw the minister's attention to a condition of affairs in Prince Edward Island with which he is perhaps not familiar. The Department of Agriculture has, in the last few years, organized egg collecting districts and they have taken a good deal of pains to extend the system. The collectors who were appointed issued cheques in their own names. The amounts were sometimes very small. I have seen a large number of cheques given for sums below one dollar, because as the collectors went around they would collect and pay for just what eggs the farmers had. There would not be many cheques over $2. In that case what would happen?

Mr. WHITE: Are they agents of the Government?

Mr. HUGHES: I do not know. They are working under the Government system.

Mr. WHITE: I should imagine, because the tax is so small, that they would pay it, continuing to issue cheques for small amounts, or that they might draw cheques for large amounts and pay for the eggs in currency. If they are agents of the Government, the Government will pay the tax. I do not think it will be a very considerable charge.

Section agreed to.

That no person shall transfer a bill of exchange or promissory note to a bank in such manner as to constitute the bank the holder thereof or deliver a bill of exchange or promissory note to a bank for collection unless there is affixed thereto an adhesive stamp or unless there is impressed thereon by means of a die, a stamp of the value of two cents.

Mr. ROSS: Does that extend to every cheque on every bank, or only to cheques on chartered banks? Is the word "bank" defined?

Mr. WHITE: The word "bank" will be defined in the Bill which I shall present after these resolutions have been adopted, so as to cover all institutions or individuals carrying on the business of banking or accepting deposits. For instance, loan companies, trust companies and other institutions and firms and individuals holding deposits subject to cheques. Otherwise, of course, the tax would be most unfair to the banks. In the Bill, we are giving the word "bank" a very wide interpretation.

Mr. MARCIL: Does the minister intend to include the agricultural banks of Quebec organized under provincial charters?

Mr. WHITE: They cannot carry on a banking business if they are organized under provincial charters.

Mr. MARCIL: They receive deposits from their own members. I suppose they issue cheques of some kind.

Mr. WHITE: If they take money on deposits and give receipts, they will have to pay.

Sir WILFRID LAURIER: Has my hon. friend consulted the Department of Justice with regard to this section? It says:

That no person shall transfer a bill of exchange or promissory note to a bank—

I think it would be more accurate to say:

That no bank shall receive a bill of exchange or promissory note.

I suppose if a note is brought to a bank, the bank will not receive it unless it is properly stamped?

Mr. WHITE: In the Bill there will be a prohibition against a bank paying a bill of exchange or promissory note unless it is properly stamped.

Sir WILFRID LAURIER: That is all right.

Mr. WHITE: The wording in section 9, to which my hon. friend has drawn attention, has precedents in the Bills of Exchange Act.

Mr. MARCIL: Can the minister explain the difference between the use of the adhesive stamp and of the die stamp?

Mr. WHITE: Either can be used. The adhesive stamp will be an Inland Revenue stamp which may be bought and placed upon the cheque, bill of exchange or note by the individual issuing it. In England, embossed cheques are issued under regulations of the Inland Revenue Department, so that the individual has not to impress the stamp. As to whether the banks here will use embossed cheques or not, I am not prepared to say at the moment. Railway companies and other large institutions may adopt that method so as to save the trouble of putting on the stamps.

Mr. LAW: If a man issues a cheque and does not put a two cent stamp on it, what is the penalty?

Mr. WHITE: A penalty of $50 on an individual and $100 on a bank. It is only a penalty. We have been careful so that the legality of a transaction shall not be impeached by our legislation.

Mr. MICHAUD: In case a man issues a cheque and forgets to put a two cent stamp on it, can a bank put on a stamp and charge it to the depositor?

[Mr. W. T. White.]

Mr. WHITE: The issuer of the cheque would be liable; but if he forgot to put on the stamp, the bank would call his attention to it, and either supply him with a stamp or charge it to him.

Mr. MICHAEL CLARK: Presumably the mechanism of English banks would be followed. There is nothing that strikes one coming from Great Britain to Canada more than the careless and slovenly way in which cheques lie all over bank counters. In England a cheque is a very sacred document. Direct taxation always tends to carefulness and accuracy, and to an improvement in the character of the people. In England a man gets about thirty cheques at a time in a book, and the cost is put on the debit side of his account in the book. The cheque book of a private citizen in Great Britain is a very sacred book, as sacred as Scripture.

Mr. MICHAUD: Will the stamps be sold by the postmasters?

Mr. WHITE: Provision is being made for their being sold by postmasters and inland revenue officers and other persons, by regulations to be established by the Inland Revenue Department.

Section agreed to.

That no person shall sign a receipt for money paid to him by a bank chargeable against a deposit of money in the bank to his credit until he has affixed to the receipt an adhesive stamp, or unless there is impressed thereon by means of a die, a stamp of the value of two cents.

Mr. PROULX: Will that apply to the post office savings bank?

Mr. WHITE: That is money paid by a bank, not by a post office.

Sir WILFRID LAURIER: You do not expect much revenue from that tax?

Mr. WHITE: The reason that provision was inserted will be obvious to my right hon. friend. If there were a stamp upon a cheque and no stamp upon a receipt, the money would be withdrawn by the latter system.

Sir WILFRID LAURIER: That is all right, I am not objecting.

Mr. DOUGLAS: Would that embrace the signing by a bank teller of a duplicate deposit receipt?

Mr. WHITE: It would not cover that case. That is only a matter connected with the book-keeping of a bank.

Mr. PROULX: The minister has in view that money deposited in the savings de-

partment of a bank is taken out more by receipts than by cheques.

Section agreed to.

12. That every bank having in possesssion in Canada, any promissory note, cheque or other bill of exchange made or drawn out of Canada on which a stamp has not been affixed or impressed shall, before payment or presentment for payment, if the same is payable in Canada, affix thereto an adhesive stamp of the value of two cents and the value of the stamp so affixed shall be payable to the bank by the person entitled to the proceeds of the note, cheque or bill.

Mr. LAW: Many American firms deposit in Canadian banks, and in paying on this side send cheques on those banks. Will this tax of two cents have to be paid on cheques drawn in the United States upon Canadian banks?

Mr. WHITE: Yes.

Section agreed to.

14. That no money order or postal note shall be issued under the provisions of the Post Office Act until there is affixed thereto a postage stamp of the value of two cents and one cent respectively to be paid for by the purchaser of the order or postal note, and upon such stamp there may be printed or impressed the words "war tax".

Sir WILFRID LAURIER: Has my hon. friend no pangs of conscience here?

Mr. WHITE: If I had no more trouble with my conscience than is given me by hon. gentlemen opposite I should be a happy man. Surely the right hon. gentleman does not think I am troubled in conscience over bringing down so commendable a measure as this.

Sir WILFRID LAURIER: That is the reason I asked the question. It seems I paid the hon. gentleman an undeserved compliment in supposing that his conscience would trouble him. He is going to increase the postage by one cent. Why not have one stamp only instead of two?

Mr. WHITE: This section applies to postal notes and money orders and not to letters and post-cards—these come under the next section.

Sir WILFRID LAURIER: The general principle applies here also that I was pointing out that this will be a great annoyance to business. Taking this in connection with the next section, why have two stamps instead of one? One will accomplish the object as well as two, one of them stamped "war tax".

Mr. WHITE: The bill will provide that an ordinary postage-stamp may be used. That will have to be covered by regulations of the post office. We will make a minimum of inconvenience for business in the collection of this tax, just as in the case of the collection of the tax on letters. If the party sending the letter or post-card will put on the ordinary postage-stamp, it would be accepted even though it is not designated "war tax."

Sir WILFRID LAURIER: I am glad of that. I thought it was obligatory to put on a special war tax stamp.

Mr. MARCIL: Does the hon. minister intend to recognize the fact that there are two official languages in this country in the making of these war tax stamps? Especially seeing that the war is being carried on by the Allies, it would be well—

Sir WILFRID LAURIER: Do not have it in French; it is bad enough in English.

Mr. E. LAPOINTE: I second the suggestion of my hon. friend from Bonaventure (Mr. Marcil).

Mr. MARCIL: I have not yet had an answer from the minister.

Mr. WHITE: I would point out to my hon. friend that these stamps will be issued by the Department of Inland Revenue. To tell the truth, I have not turned my mind upon the question of their form or character, but have simply brought down the measure in which the stamp tax is provided for. But instead of the "war tax" stamp to be devised and issued by the Inland Revenue Department, an ordinary one cent postage-stamp may be used. I suppose my hon. friend knows—I do not know because I have not inquired into it—what the regulations of the department are with respect to the one cent postage-stamp.

Mr. MARCIL: There are people in Quebec who are not familiar with the English language. No member of this House knows that better than does the hon. Minister of Inland Revenue who was very sympathetic at one time to the use of the French language. The former Postmaster General, Mr. Pelletier, put three French words on our post-cards, and at once we had protests from certain quarters and one would have thought that that gentleman had committed a great crime. The Minister of Finance knows that the official language of the International Postal Union is French. Therefore, the former Postmaster General was only trying to follow up what is done among the nations of the earth generally. If there is to be an inscription on these new stamps

it should be in a language the people will understand.

Mr. E. LAPOINTE: I strongly support the idea that this inscription should be in French as well as in English. I think your electors, Mr. Chairman, (Mr. Sevigny) and those of the Minister of Inland Revenue (Mr. Blondin) like others, are entitled to know that they will pay that tax on account of the participation of Canada in the war of the Empire.

Mr. A. A. McLEAN: In order to do away with any trouble which might arise with the use of English or French, I would make the suggestion that we should come back to the original language, that spoken in the Garden of Eden—Gaelic, and that these stamps should be inscribed in that language.

Mr. PROULX: Postal notes are used for amounts as low as 20 cents. Does the minister not think there should be no taxation upon postal notes for less than 25 cents? Upon a 20-cent or 25-cent postal note the taxation proposed would be very heavy.

Mr. WHITE: It will average up.

Section agreed to.

15. That on every letter and post-card for transmission by post a tax of one cent shall be levied and collected, such tax to be payable by affixing to the letter or card a postage-stamp of that denomination, upon which there may be printed or impressed the words "war tax";

Sir WILFRID LAURIER: Why not have only one stamp instead of two stamps, and so provide?

Mr. WHITE: I think that it is not advisable to appear to be amending the Post Office Act. One might as well say: Why not raise your postage to 2 cents and 3 cents?

Sir WILFRID LAURIER: Hear, hear.

Mr. WHITE: Although my right hon. friend says "hear, hear," I am sure he would not consider that to be advisable. This tax is, we hope, a temporary tax, and I do not like to appear to be amending the Post Office Act and raising the rates of postage. The tax we are proposing is a war tax; it is not additional postage, although 3 cents will be charged upon the transmission of a letter whereas 2 cents only was charged before. There should not be much inconvenience in the affixing of an additional stamp. It is possible, although I have not consulted the Post Office Department as yet, that post-cards may be issued bearing the 2-cent instead of the 1-cent stamp.

Sir WILFRID LAURIER: We know that this is for war; we all hope that it is only temporary, as I believe it will be. At all events, for the time that it is in existence, why submit the public to the necessity of licking two stamps instead of one? It is quite sufficient to say that it is an unpleasant operation, especially to those who send letters by the hundreds every day. Why not have a 3-cent stamp? Everybody will understand that it is for war purposes.

Mr. WHITE: I do not believe there will be much inconvenience. My hon. friend speaks of licking the stamps, but if hundreds of letters a day are sent by a firm, the stamps are not licked; they have other means of meeting the situation. However, I shall be glad to take my hon. friend's suggestion into consideration.

Mr. LAW: If a letter is posted having an ordinary 2-cent stamp and an ordinary 1-cent stamp upon it, will it go just the same?

Mr. WHITE: It goes whether or not the 1-cent stamp is marked "war tax." My hon. friend will observe that the provision is permissive; it says that the words "war tax" may be impressed upon the stamp.

Mr. LAW: Can the Minister of Finance assure the committee that all the revenue arising from this extra taxation will be applied to war purposes, and will not go into the ordinary revenue of the country?

Mr. WHITE: My hon. friend knows that all the moneys of the Dominion go into one fund; they are mingled. The reason why we are calling this a war tax is this: the country is at war; revenues are diminished, and we are required to find money to meet, in addition to the ordinary expenditure required to carry on the affairs of the country, the interest upon the debt which we shall incur in borrowing for the purposes of our participation in the war. In addition to that there will be pension charges upon the Government. But, putting this all aside, I desire to say now, without the slightest intention of stirring up any discussion in the matter, that even if not a dollar of the money would go for the specific purposes of the war—that is to say, be ear-marked and specifically applied to some purpose immediately connected with the war—the tax would still be purely a war tax, because the only reason for its imposition is

that the country is at war and that the normal revenues are not sufficient to meet the abnormal strain which is upon us. Many of the arguments put forward by hon. gentlemen opposite are weighty, but I must say that I have not been in the least impressed with the force of the argument that these taxes are not war taxes.

Sir WILFRID LAURIER: Neither have we upon this side of the House been impressed with the argument that these taxes are war taxes.

Mr. WHITE: Let it go at that.

Sir WILFRID LAURIER: Very well. Whether this is a war tax or whether it is not a war tax, it will all go into one fund; there is no necessity of ear-marking it as a war tax. This method of imposing the additional stamp tax is simply causing new inconvenience to the community, and I think my hon. friend, upon reflection, will agree that he had better drop the idea.

Mr. LAW : It is going to be a great inconvenience to the people of this country to have to affix two stamps to their letters and post-cards. I cannot for the life of me see why a 3-cent stamp cannot be issued, particularly in view of the fact, as the minister says, that the war tax is not separate from the ordinary revenue of the country. I think that if a 3-cent stamp were issued the business and mercantile community would be saved a great deal of inconvenience.

Mr. MARCIL: I understand the minister to say that the use of the war stamp is not compulsory; that an ordinary stamp will answer the purpose.

Mr. WHITE: Yes.

Section agreed to.

16. That every person by whom goods are received—
(a) to be exported or carried coastwise, or
(b) to be transported by railway,
shall in every case in which a charge for freight or expressage exceeding five cents is made attach to the bill of lading or other evidence of receipt a stamp to be furnished by the shipper or consignor of the value of two cents.

Mr. WHITE: The Government has decided to drop this section; I will explain very briefly the reason why. The committee will observe that a charge of 2 cents is made upon every shipment or consignment of goods to be exported or carried coastwise or to be transported by railway. After looking into this matter very carefully, I find that an enormous number of small packages of various kinds are sent by freight or express; not only agricultural produce, fruits, milk, and articles of that nature—

Mr. MARCIL: And by departmental stores.

Mr. WHITE: Yes, I had not that in mind. There would be a great deal of general public inconvenience in meeting the requirements of this tax. The amount that would be raised has been estimated to be only $120,000. On account of there being at least one and possibly more provincially-owned Government railways, we could not impose upon the Provincial Government the duty of collecting this tax. The matter was discussed with the Department of Justice, and it seemed that the only way the tax could have been collected would have been to impose on an officer of the provincial railway the duty of seeing that the stamp had been affixed; but it was necessary to provide that the stamp should be furnished by the shipper or consignor and, having regard to the multitude of transactions, although in the outcome it would probably have resulted in the railway company supplying the stamps to the shipper or consignor, we reached the conclusion that it would be better to drop the item altogether.

Mr. LAW: There is no tax then on bills of lading of any kind?

Section dropped.

On section 17—

17. That every person selling to a consumer a bottle or package containing
(a) a proprietary or patent medicine,
(b) perfumery,
(c) wine, non-sparkling,
(d) champagne or sparkling wine,
shall affix to every such bottle or package a stamp of the value hereinafter set out:

Article.	Stamp of the value of
(a) A proprietary or patent medicine,	
(b) Perfumery,	
The retail price for each bottle or package thereof being—	
twenty-five cents or less.. ..	1 cent.
More than twenty-five cents—	
For each twenty-five cents and in addition for any fractional part of twenty-five cents. ..	1 cent.
(c) Wine of the grape, non-sparkling, each bottle or package containing—	
One pint or less..	3 cents.
One quart or less, but more than one pint..	5 cents.

Article.	Stamp of the value of
A quantity greater than one quart— For each quart and in addition for any fractional part of a quart..	5 cents.
(d) Champagne or sparkling wine, each bottle or package containing— One-half pint or less..	13 cents.
One pint or less but more than one-half pint..	25 cents.
A quantity greater than one pint— For each pint and in addition for any fractional part of a pint.	25 cents.

Sir WILFRID LAURIER: Taking all these items one by one, how much revenue does the minister expect to obtain from the article perfumery?

Mr. WHITE: About $225,000. The definition of perfumery is a wide one, including cosmetics. The amounts expected are from proprietary medicines, $225,000; perfumery, $225,000; wines, non-sparkling, $180,000; wines, sparkling, $260,000; a total of $900,000.

Mr. MARCIL: Does the minister think there is as much perfumery used as patent medicines?

Mr. WHITE: The word perfumery is given a wide definition in the Act so as to cover cosmetics and a considerable range of articles.

Mr. SCHAFFNER: Is it possible to define what is meant by proprietary medicines?

Mr. WHITE: I think so. The definition is as follows:

"Proprietary or patent medicine" includes pills, powders, tinctures, troches, or lozenges, syrups, cordials, bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters (except mineral waters in their natural state or carbonized), essences, oils, and all other medicinal preparations or compositions bottled or packed ready for sale in respect of which the person making or preparing the same has or claims to have any formula or secret or occult art for the making or preparing thereof, or has or claims to have any exclusive right or title to such making or preparing, or which are prepared or made under any letters patent or which are designated by a trade mark or which if prepared in accordance with any formula published or unpublished are recommended to the public by the makers, vendors, or proprietors thereof as remedies or specifics for any disease or affection whatsoever affecting the human or animal body, but does not include any medicinal preparation or composition recognized by the British or the United States pharmacopœia or the French codex as officinal.

Sir WILFRID LAURIER: What is the meaning of that word "officinal"?

[Mr. Law.]

Mr. WHITE: I asked that question to-day, but I have forgotten the definition. My deputy, however, assures me it is a good word.

Mr. PUGSLEY: Might I ask where that definition comes from?

Mr. WHITE: It comes partly from our own tariff, partly from the United States, and part of it has been adapted to meet the situation. But the essential feature of the proprietary medicine is that it does not include any medicine, preparation or composition recognized by the British or the United States pharmacopœia or the French Codex as officinal.

Mr. PUGSLEY: Why not?

Mr. WHITE: With respect to the pharmacopœia preparations, there is no exclusive right, there is no privilege, and there are no letters patent. The pharmacopœia preparations are made up from the formulae of the pharmocopœia, and the tax would not apply to them.

Mr. SCHAFFNER: I am not very clear on the point, and I think it is important to have it clear. We talk about proprietary medicines. I understood the minister to say it is only when such a medicine is sold in packages by the druggist, in six or eight ounce bottles for instance, that the tax is imposed.

Mr. WHITE: To the consumer.

Mr. SCHAFFNER: To-day what are called proprietary medicines are used very extensively in doctors' prescriptions. The Parke Davis firm sell to the druggist a Winchester bottle which would contain as much as a great many six ounce or eight ounce bottles. As I understand, the tax does not apply to doctors' prescriptions. It must be in packages, such as four, six or twelve ounces, as sold by the druggist?

Mr. WHITE: Yes, sold to the consumer.

Mr. A. K. MACLEAN: If it is sold by a druggist to a company doctor, for instance?

Mr. WHITE: My hon. friend (Mr. Schaffner) is addressing himself to the question of proprietary medicines only. Consumer is defined as follows:

Consumer means a person who uses up a proprietary or patent medicine. . . . either in serving his own wants or in producing therefrom any article of value, and "selling to a consumer," includes selling by retail.

So that if the article were purchased and used in the making of a compound and then

sold, the party so using it would be a consumer.

Mr. SCHAFFNER: I am not quite clear on that point yet. Wampole's cod liver oil, which is probably known to every member in the House, goes to the druggist in a large bottle called a "Winchester". Now suppose a doctor prescribes ten ounces of Wampole's cod liver oil, does the consumer pay the tax on that?

Sir WILFRID LAURIER: The tax is paid on the bottle.

Mr. SCHAFFNER: If the druggist divided the winchester of cod liver oil into two six-ounce bottles, I could understand that the consumer would pay the two or five cents, whatever it may be; but when a man takes a doctor's prescription for ten ounces of cod liver oil to the druggist, has he to pay the stamp tax when the druggist hands him the cod liver oil?

Mr. WHITE: Let me ask my hon. friend, who is a physician, this question. In the case that he cites the cod liver oil is used as one of the ingredients of a mixture which the druggist sells to a patient. That mixture, in my judgment, would not be a proprietary medicine; it would have lost its character. My right hon. friend pointed out that when the doctor or the druggist buys from the manufacturer a bottle of the cod liver oil in question, which I assume is a proprietary medicine,—

Mr. WEBSTER: No.

Mr. WHITE: It may or may not be; you cannot pronounce on that until you know the facts. But if it were a proprietary medicine, then, under this definition, the doctor or druggist would be a consumer, for he would be using the cod liver oil to produce therefrom another article of value; that is, he would use it in making up a prescription.

Mr. A. K. MACLEAN: My hon. friend from Souris does not mean it as a mixture. Suppose it was not compounded with anything else?

Mr. SCHAFFNER: I say that on the ordinary druggist's shelf to-day there are twenty-five or more different winchesters, one containing Wampole's cod liver oil, another Wyeth's Mixture, another Lyman and Jones' Mixture, and so on. I should say that fifty to seventy-five per cent of the business done by druggists to-day is done in that way. When I prescribe a six-ounce bottle of Wampole's Cod Liver Oil or any other preparation—

Mr. WHITE: My hon. friend uses the word "or"?

Mr. SCHAFFNER:—or any other preparation that goes to the druggist in a winchester, would that come under the stamp tax? In my opinion it would not.

Mr. WHITE: If it is a proprietary medicine I should say that it would, for the reason that the definition says:

> Every person selling to a consumer any bottle or package containing a proprietary or patent medicine

and so on. The size of the bottle is not defined, and even if the proprietary medicine was broken up from larger bulk, I should say that the tax would apply.

Mr. SCHAFFNER: Then it would apply to 75 per cent of all that is sold by the ordinary druggist.

Mr. WHITE: Yes, if it is a proprietary medicine.

At six o'clock the committee took recess.

— ——

The committee resumed at eight o'clock.

On section 17—proprietary or patent medicines, etc.:

Mr. WHITE: When the committee rose at six o'clock we were discussing the question of proprietary medicines, and with the view of giving the committee an explanation of what will come within the definition, I desire to make the following statement: Proprietary medicines are only such medicines as are recommended to the public by the makers, vendors, or proprietors thereof as remedies or specifics for any disease or affection whatsoever affecting the human or animal body.

Medicines prepared by druggists from several drugs or ingredients in accordance with physicians' prescriptions are not proprietary medicines.

Proprietary medicines purchased by drug-

prietary medicine have already paid the purpose of being re-packed in smaller packages, without the addition of any drug or ingredient, for sale to individuals, become liable to stamp tax at the time of sale by the druggists.

Mr. PUGSLEY: Would not the proprietary medicine have already paid the tax? Is it to be paid a second time when the druggist divides it up and sells it? It would pay the tax twice.

Mr. WHITE: Proprietary medicines purchased by druggists in bulk and large

packages, for the purpose of being repacked in smaller packages, without the addition of any drug or ingredient, for sale to individuals, become liable to stamp tax at the time of sale by the druggists.

Mr. PUGSLEY: They would have to pay the tax twice.

Mr. WHITE: No.

Mr. PUGSLEY: Would the tax not be paid on this medicine when it was bought?

Mr. WHITE: No, not until they break up the package and sell it. The stamp will be placed on the article at the time of sale for reasons that I shall explain a little later. Proprietary medicines purchased by druggists and used by them for compounding with other drugs or ingredients in accordance with physicians' prescriptions, must have the stamp affixed to the bottle or container before being opened by the druggist, as he is the consumer, the compounded article not being a proprietary medicine. In answer to my hon. friend from Souris (Mr. Schaffner), if what is clearly a patent medicine is used in the compounding of a mixture, which is sold to the public, it is perfectly clear that the mixture or compound is not a patent medicine. If, in connection with a prescription which is filled, taking a six-ounce bottle, two ounces of compound, or proprietary, medicine is used with other drugs and ingredients to the extent of four ounces, making a bottle of six ounces, it is obvious that the resultant mixture is not a patent or proprietary medicine, but a medicine compounded from a prescription and consequently differing from any one of the ingredients, including the patent or proprietary medicine used in connection with it. To give an illustration: Water is composed of hydrogen and oxygen; that is what is covered by the formula H_2O. You have water which is different from either oxygen or hydrogen, or different from either of its constituents.

Mr. PUGSLEY: What is that word you were going to give us?

Mr. WHITE: I knew that my hon. friend would be interested in that word. I know how interested my hon. friend is in the precise meaning of terms. I have gone to the trouble—no, I have given myself the pleasure—of having this looked up for my hon. friend's benefit. I know that he is a purist in the use of English, and is interested in all definitions. "Officinal"—facio, I think, would be the Latin root word—opus and facio—doing work, performing, accomplishing things, just as this Government has been doing; you might almost describe it as an officinal Government.

Mr. GRAHAM: That is the wrong word.

Mr. WHITE: My hon. friend from South Renfrew (Mr. Graham) would say so, but we will not go into that now.

Officinal : 1. Applied in pharmacy to preparations made according to recognized prescriptions; specifically, prescribed in the pharmacopœia.

2. Specifically, a drug prepared according to the pharmacopœia.

Derivation: Latin, officina — a workshop, laboratory—probably a combination of opus and facio. Officina is a contraction for opificina.

I think this is an illuminating definition for my hon. friend. This definition has been considered very carefully by representatives of the wholesale, manufacturing and retail druggists, and I think it can be depended upon as meeting the situation.

Mr. PROULX: What is the definition of "perfumery?"

Mr. WHITE: Perfumery includes alcoholic and non-alcoholic perfumes, and perfumed spirits, bay rum, cologne, lavender waters, hair-oil, tooth and other powders, and washes, pomatums, pastes, and all other preparations used for hair, mouth and skin.

Mr. PROULX: Does that include talcum powder?

Mr. WHITE: Tooth and other powders. Yes.

Mr. MICHAUD: I notice that the minister has made the stamp tax one cent for any bottle or package of the value of 25 cents or less, and

More than twenty-five cents—
For each twenty-five cents and in addition for any fractional part of twenty-five cents.. .. .. .. One cent.

That means an increase of 4 per cent. I do not know what it should be. Before recess, the minister said that his conscience was quite clear on some items. A man travelling on a train has to pay 5 per cent on his railway fare, and a man who can afford to buy perfume ought to pay more than 4 per cent. This luxury should be taxed a little higher. My sympathy is with the ladies of this country, but we are here to do business in a proper manner. I hope the minister will see his way clear to let

go this 5 per cent on railway fares for amounts around one dollar, and increase the duty on perfume.

Mr. WHITE: The tax is a pretty heavy one. My hon. friend will observe that the tax is upon 25 cents or less. One cent upon 5 cents would be 20 per cent; one cent upon 10 cents would be 10 per cent; one cent upon 20 cents would be 5 per cent; one cent upon 25 cents, it is true, would be 4 per cent. Another consideration should be borne in mind, namely, that this is, so to speak, a domestic tax. There is a duty upon these articles coming in as well. Therefore the tax that we are imposing will be sufficiently heavy, especially as it is in addition to the taxation resulting from the import duty upon those articles. The tax of 10 per cent, which we had originally, was really too high, especially when added to the import duty. After giving the matter exceedingly careful consideration and after consulting with all the interests concerned, we came to the conclusion that the tax might be modified and that the resolution should be changed to its present form.

Mr. SCHAFFNER: The druggists handling these articles were hard hit in August when the tax was made pretty high on alcohol, which a great many of those articles contain. I am pleased that the Minister of Finance has considered that matter, and that he has relieved the druggists, because as this resolution was worded originally as regards perfumery, the druggists were harder hit than were any other class for whom we are legislating.

Mr. A. K. MACLEAN: Is the definition of perfumery which the minister gave us to be the statutory definition?

Mr. WHITE: Yes.

Sir WILFRID LAURIER: What about the tax on champagne? I ask this question having regard to the French treaty. Can we impose the duty on account of the French treaty?

Mr. WHITE: If there were any doubt on the subject, I should not have brought down the proposal. In the opinion of the Department of Justice it is perfectly clear that we have the power to levy this, which is an excise tax, not a customs tax. I draw the attention of my right hon. friend to article 12 of the French treaty which my right hon. friend has before him. The convention is of 1907, although the treaty did not come into operation until a couple of years later. Article 12 reads:

> Products of Canadian origin of any kind imported into France, Algeria, the French colonies and possessions and the territories of the protectorate of Indo-China, shall not be subject to any higher or other duties of excise, internal consumption or octroi—

Which is a city tax, I believe.

> —than those which are or may be charged upon products of French origin.
>
> In like manner, products of any kind originating in France, Algeria, the French colonies and possessions and the territories of the protectorate of Indo-China, shall not be subject to any higher or other duties of excise, internal consumption, or octroi than those which are or may be charged on like products of Canadian origin.

This tax that we are imposing is a general tax not only upon goods imported from France, but upon goods produced in Canada and in other countries. Therefore so far as the imposition of this excise duty is concerned there is no discrimination as regards importations from France. The French treaty provides for the admission into Canada under schedule B of a large number of items, including spirits, alcoholic perfumes, medicinal or medicated wines, photographs, medicinal and pharmaceutical preparations, and a number of other articles at the intermediate rate, whatever that may be.

Under schedule C there is a long list of articles including vegetables, wines, champagnes, certain books and certain medicinal, chemical and pharmaceutical preparations, olive oil, embroideries, velvets, ribbons and manufacture of silk, which are to be admitted at a fixed and specific rate of duty which it is not open to this Government, without violation of the treaty, to increase. Those are duties of customs, as is so expressed in the convention. I had regard for that in the proposal brought down. I was unable to raise the duty, as I think I otherwise would have been disposed to do, upon a number of articles of luxury embraced in this schedule C of the French treaty, because of the fact that those articles are entitled to the benefits of that schedule C when imported from France. Therefore we did not increase the duty. With regard to wines, which I think every one will admit are a proper subject for taxation at a time like this, we have been advised by the Department of Justice—and I think it is perfectly obvious on a reading of the treaty—that it is open to the Government to impose a stamp tax, which is in the nature of an excise duty, upon wines,

non-sparkling and upon sparkling wines and champagne. I think there is nothing we have done in any way inconsistent with the express terms of the French treaty, nor anything in which it is not open to the French Governmeent, should it so desire, to take similar action.

Mr. GERMAN: Why does the minister discriminate so heavily between sparkling and non-sparkling wines? There are non-sparkling wines that are quite as expensive as the sparkling wines. The difference in the tax is so great that I should like to understand the reason.

Mr. WHITE: If I were to answer with levity, I suppose I should say that it is because we want the people to pay something for the sparkle. But, speaking seriously, the non-sparkling wine is generally cheaper than the sparkling wine or champagne. That classification is made, I think, in the French treaty; at all events it is made in the tariff, and we are following precedent in making that classification here. Champagne, of course, is an exceedingly expensive wine, much too expensive, I suppose, for my hon. friend, as it is for me.

Mr. GERMAN: Non-sparkling wine is sometimes more expensive than sparkling.

Mr. WHITE: I defer to my hon. friend's opinion, if he is more an expert than I, though he may not be.

Mr. PUGSLEY: The minister has not explained why, on articles included in the French Convention, he imposes no additional tax, even when they come from another country—I refer to luxuries such as silks and velvets. My hon. friend knows that a great many of these articles that are included in the French Convention are brought also from the United States. Why should they not be taxed when coming from countries other than France? That is one question I should like to ask the minister. The other is this: I would like him to take us into his confidence and tell us the reasons which influenced him in the amendments which he has made in this resolution in order to make it legal and not in contravention of the French treaty.

Mr. WHITE: I do not understand.

Mr. PUGSLEY: I say the minister should take us into his confidence and let us know why the changes were made in order to make it not contrary to the French Convention.

Mr. WHITE: Does the hon. gentleman mean, since I brought it down?

[Mr. W. T. White.]

Mr. PUGSLEY: Yes.

Mr. WHITE: No changes were made to my knowledge for that purpose. I can assure my hon. friend that my assistant deputy has had the drafting of this Bill, and I think he has done it very competently. To my knowledge no changes were made for the purpose of bringing these proposals into conformity with the French treaty. It was quite unnecessary, in my view, to consider such a question. I looked carefully into the matter, and we were specifically advised in connection with the proposals which we laid before the House, that this tax being an excise tax, our action was not in the least in violation of the express provision of the French Convention.

Mr. PUGSLEY: The assistant deputy minister deserves the greatest possible credit. He has shown great ability, and when he gives attention to changes of this kind he would certainly make all necessary provision. But if he has not given thought to the subject his instinct is remarkable—

Mr. WHITE: Unerring.

Mr. PUGSLEY:—for he has taken out of the resolution the very words to which I objected when I addressed the House and the removal of which bring the resolution into conformity with the French Convention. Let me read what was in the resolution and what has been left out of the amended resolution which is now before the committee. At page 99 of unrevised Hansard, the hon. gentleman will find section 15 of the resolution as it was read to the House by the Minister of Finance, as follows:

> 15. That the provisions of any Act founded on these resolutions, in so far as such provisions relate to wine, non-sparkling, champagne and sparkling wine, shall be deemed to have come into force on the twelfth day of February, 1915, and to have applied to all such articles—
>
> (a) imported or taken out of customs warehouse for consumption on and after that day and to have also applied to such articles previously imported for which no customs entry was made before that day.

The words "imported or taken out of customs warehouse for consumption on or after that day, etc.," have been entirely omitted from the present amended resolution, and it is made simply a stamp tax to be paid by a stamp placed upon the article by the person selling to the consumer the bottle or package of wine. That puts the case in a different position entirely. What I challenged when addressing the House was this provision that before imported goods could be taken out of the customs

warehouse an additional tax should be paid whether by way of stamp or any other way. Now, somebody, with wisdom and, as I say with most remarkable instinct, has left out all these words and made this simply an internal stamp tax to be affixed to the bottle when the vendor sells it, and not when it is taken out of customs. Does not the hon. gentleman see the difference? And is not he proud of the instinct which enabled such a change to be made in a resolution as to get rid of the difficulty which I pointed out, the words being in contravention of the provisions of the French treaty?

Mr. WHITE: The taking out of the clause to which my hon. friend has referred, had no connection whatever with his argument or with the idea which was at the foundation of that argument. The reason why it was taken out—

Mr. PUGSLEY: I thought the minister said there were no changes.

Mr. WHITE: No changes having any bearing upon the question whether or not this was in contravention of the French treaty. There is a very simple explanation. It was pointed out both by the Customs Department and by the importers of these wines that to open up all the boxes and packages and put a stamp upon each bottle while in the custody of the Customs Department would give an enormous amount of trouble and inconvenience. The result is that the stamps are now to be affixed at the time of sale to the consumer. The object was not to meet any difficulties in connection with the French treaty, but to meet a practical objection on the part of the Customs Department and of those engaged in the importation of wines. My hon. friend will see that this is a pure synchronism. My hon. friend is a good lawyer when he is impartially advising a client, but not when he is addressing the House of Commons; consequently he will forgive me if I do not attach the weight to his opinion that I would if it were given in a case in which he had no object in exercising any political bias. I need not insult the intelligence of the House by saying that there is a clear distinction between duties of customs and duties of excise. The French treaty is a document to be interpreted according to the well-known rules of legal construction, and personally I should be against a strained construction. There is no room for doubt that if the duties are not increased it is open to this Government to enact that excise duties by way of stamp taxation may be imposed upon those goods once they arrive in Canada, whether they are in the custody of the Customs Department—which is only an incident—or not, provided that Canadian goods of a similar character are treated in identically the same manner. Therefore my hon. friend's legal opinion was unsound. The change was made for the purpose that I have indicated, and for no other. However, as the result makes my hon. friend the member for St. John happy, of course we are all happy, for I need not say that it is our object so to conduct the business of the country as to meet the approval not only of the public, but of gentlemen on both sides of this House. I understand, then, that any objection my hon. friend had to the imposition of these stamp duties in the case of wines, non-sparkling and sparkling, and champagne, is withdrawn, because a legal difficulty which he thought he saw is now non-existent.

Mr. PUGSLEY: The sad part of it is that when the hon. gentleman gropes his way blindly he seems to go more unerringly than when he proceeds with his eyes open.

Mr. WHITE: I always had a good opinion of the Civil Service, and I always tell the officers of my department to keep a pretty good check on me and to criticise me severely. My hon. friend has paid a tribute to my assistant deputy. Allow me to say that I join very gladly in that tribute, because he has done his work in a manner that will commend itself, I think, to the members of the House.

My hon. friend has referred to another matter. He says: Why did you not raise the duties upon these articles coming in from other countries? We had a tariff in which, under the French convention, the goods in question were subject to a specific duty which could not be increased. The tariff upon goods coming in from other countries had been fixed. I know that the Government is not obligated to do it, but in considering tariff matters, regard must be had, in a sense, to the family of nations, and if you take an action which seems invidious or unjust or unduly discriminatory against other nations, you are apt to raise questions which may lead to retaliation. I understand that some years ago—I speak from recollection, I believe it was in connection with this very treaty—some question was raised as between the United States and Canada with regard to what was alleged to be discriminatory treatment. That matter was adjusted by some con-

cessions. Having regard to the whole situation, it occurred to us that it would be inexpedient and inadvisable that we should deliberately raise the duties upon this class of articles in respect of which the duties under the French convention were fixed and specific, unless some consideration of paramount importance inclined us to do so. The fact of the matter is that our minds were not turned particularly upon the subject at all. It seems to me to be rather invidious and discriminatory treatment to raise the tariff on goods coming from all other countries.

Mr. MARCIL: Are French wines given any preference over German wines, or are they on the same footing?

Mr. WHITE: The French treaty is the basis of all most favoured nation treatment in the way of fiscal legislation so far as this country is concerned. The French treaty goes farthest. Under it certain articles are entitled to the benefits of the intermediate tariff. Then there is schedule C, a most important schedule, in which the rates of duties upon a number of commodities which I have mentioned, such as velvet and silks, alcoholic perfumes, wines—non-sparkling—champagne and a number of other commodities, are specific. Only those nations which are entitled to the most favoured nation treatment are entitled also to the benefits of the provisions of the French treaty, which, as I say, is the most favourable treaty that any foreign nation has with us. Germany has not been entitled to most favoured nation treatment from Canada. The matter had on many occasions been submitted to the Government, but we had not been able to see our way to accord to Germany a most favoured nation treatment which would put her on a par with other nations in respect of the provisions of the French Convention of 1907, which, as I say, came into effect in 1909. Germany, therefore, was not, previous to the outbreak of the war—and, of course, is not to-day—entitled to the benefits of the French treaty.

Mr. MARCIL: What I want to know is whether wines which are in the country and which have come from France are subject to the same treatment as those which have come from Germany.

Mr. WHITE: With regard to wines which are in the country at the present time, whether Canadian, French or German, upon sale the taxation would apply, because our object is to raise money for the object of fighting Germany

[Mr. W. T. White.]

Mr. MARCIL: So far as these new excise duties are concerned, are French and German wines on the same footing?

Mr. WHITE: I think French and German wines are not on the same basis, for this reason: French wines that are in the country now have already derived the benefit of the French treaty; German wines now in this country did not derive the benefit of that treaty, because Germany did not have that advantage. These wines, being in the country are owned by Canadians. This measure is an excise measure, as I have stated, for the purpose of raising a revenue upon the sales of wines to consumers, whether those wines be Canadian, British, French, German or otherwise.

Mr. GERMAN: If the minister insists that the stamp tax shall be imposed only when the wine is sold by the importer to a customer, he is opening very wide the door for men who use wine in considerable quantities to do their own importing, thus avoiding the payment of the stamp tax.

Mr. WHITE: Why?

Mr. GERMAN: Because if they import the wines themselves, they can take them out of bond and if they use the wine themselves and do not sell it they do not have to put on any stamps.

Mr. WHITE: That is covered by the Bill; in such a case the importer is a consumer. In the case of an importer bringing in wine for his own use the stamp would have to be paid.

Mr. GERMAN: But suppose he does not choose to put the stamp on?

Mr. WHITE: He cannot get it through the customs until the stamp is on.

Mr. GERMAN: But the minister says the stamp does not go on until after the wine has passed the customs.

Mr. WHITE: That will be covered by the Bill. It will be dealt with in this way. The Customs Department will determine whether the man who imports is a wholesaler or a consumer. They have an efficient organization and they can do that. A wholesaler bringing in goods may be permitted, without breaking bulk and having the stamp tax imposed while the goods are in bond, to take them out under regulations of the Customs Department, under which the tax will be paid before the wine is sold to consumers. My hon. friend has pointed out a possible loop-hole, but the Customs will see

that the loop-hole is closed under regulations that will be established.

Mr. GERMAN: I presumed the Bill would be founded on the resolutions and there is no such provision in them.

Mr. WHITE: There are many matters of detail that are set out in the Bill that are not included in the resolutions, which are necessarily general in character.

Sir WILFRID LAURIER: I may say that my hon. friend has satisfied me that he has power under the French Treaty to put this tax upon all wines except champagne. Upon every other wine, for instance those mentioned in the first article of section C, wine of the grape, non-sparkling, under the French Treaty he can impose a tax; but with regard to champagne or sparkling wine, the provision of the French Treaty, the general governing clause, is in these words:

> There shall be levied, collected and paid for the said convention if brought into force, and so long as it remains in force, upon all natural and manufactured products enumerated in schedule B to the said convention, originating in France, Algeria, the French colonies and possessions, and the territories of the protectorate of Indo-China, imported into Canada in the manner provided in the said convention, the several rates of duties of customs set forth in column 2, "intermediate tariff," of the customs tariff, 1907, and in any amendment thereof; and there shall be levied, collected and paid, during the time aforesaid, upon all natural and manufactured products enumerated in schedule C to the said convention, originating and imported as aforesaid, the several rates of duties of customs set opposite to each item respectively in the said schedule C.

My hon. friend says, however, that this is a special tax and we have the power to impose a special tax under article 12. Article 12 of the French Convention is:

> In like manner, products of any kind originating in France, Algeria, the French colonies and possessions, and the territories of the protectorate of Indo-China, when imported into Canada shall not be subject to any other or higher duties of excise, internal consumption or octroi than those which are or may be charged upon like products of Canadian origin.

Under these resolutions a special tax is levied and, as has been stated by the minister to the hon. member for Bonaventure (Mr. Marcil) the tax applies to wines whether from France, Germany, the United States or any other country in the world. The moment they come into consumption they are subject to the tax, and it is obvious that the French, who were looking after their own interests, provided in this way: While the customs tax shall not be more than it is at present. $3.30 a gallon, if you impose a tax upon other wines which come in competition with your own you shall have the same privilege of putting the duty on our wines as you put upon your own. That, I understand, is the principle. The point which I make is that champagne is a French wine the like of which is not produced in any other country. There are sparkling wines manufactured in other countries, in Germany for instance, but the special wine which is called champagne is produced in France and in France alone. Therefore, this article 12 cannot apply to champagne although it may be applied to other wines. The Treaty could not foresee that there would be imposed any excise duty on any other similar wine, because there is no similar wine produced anywhere else. It therefore seems to me that under the Treaty you cannot apply section 12 to champagne. The French Commissioners, when negotiating with our Commissioners, must have foreseen that their still wines would come in competition with other wines and that upon those wines there would be excise duty. When we passed the Treaty in 1907 we had wine produced in Canada with which the French wine would come in competition. The French Commissioners foresaw that there would be an excise duty put upon our own wines, and that the French wines would be subject to the same excise duty. But they could not foresee that their champagne would come in competition with any other wine because there are no similar wines produced in the world. This is a Treaty which ought to be construed liberally. The great wealth of France—and France is a very rich country—comes from her vintages. The wine crop of France is her greatest asset, and the French are naturally desirous of extending their trade all over the world, and they have done so. They have a right to a liberal construction of their Treaty, and when they provided that their champagne should be exempted from any special tax they had the right to expect that the Treaty would be generously applied, especially under such circumstances as exist to-day.

As I have said, champagne is produced in no country except France. At first I should have been disposed to believe that this tax would not apply to all French wines, but it seems that it does; I wish my hon. friend would take this view into his consideration.

Mr. WHITE: I might point out that under article 12 it is provided that:

Products of any kind originating in France, Algeria, the French colonies and possessions, and the territories of the protectorate of Indo-China, when imported into Canada shall not be subject to any other or higher duties of excise, internal consumption or octroi than those which are or may be charged upon like products of Canadian origin.

Upon a purely legal construction of Article 12, there is no doubt in my mind that, if the Canadian Government does not impose upon Canadian products a lower duty than is imposed upon French products coming into Canada, we shall be strictly observing the requirements of this French Convention. My right hon. friend makes this point. He says that as a matter of fact champagne is not produced in Canada and therefore it is not possible for us, even if we desire to do so, to impose upon a like product of Canadian origin the duty that we now propose to put upon champagne. Now the word "like" is a word that is not on all fours with the word "identical," and it appears clear to me that, even if by chance a like product should be produced in Canada at any time or is being produced even now, it is open to the Government to impose this tax; and I think that upon a strictly legal interpretation of Article 12 it would be so held by any court. That is my own opinion. My right hon. friend holds a different opinion, and undoubtedly his opinion is entitled to great weight. I had said before my hon. friend mentioned it that my disposition would be to interpret this treaty not in any strained fashion; I think those are the words I used. Everybody in this House will admit that if any tax for war purposes is justified at the present time, it is this tax upon wines, and especially upon champagne, because those who can afford to purchase champagne can probably afford better than any other class in the community to contribute to the expenses of this war.

Sir WILFRID LAURIER: Hear, hear.

Mr. WHITE: Therefore in principle our legislation is absolutely sound, and the only question that remains is: 9 p.m. Does our proposed action in any way conflict with or violate the express and literal terms of the French Convention, or is it in substantial violation of that convention, giving it a liberal instead of a strained and unduly narrow legal interpretation? So far as the suggestion of my right hon. friend is concerned, I shall go this far. The Bills founded upon these resolutions will be introduced to-night. I shall draw his remarks to the attention of the Department of Justice, and if it is found that there is room for doubt whether we are violating the provisions of the French Convention of 1907, I shall be very glad to bring the matter before the Government with the view of seeing whether our proposals should be in any degree modified.

Sir WILFRID LAURIER: The statement of my hon. friend is quite satisfactory. I could not ask for more. I agree altogether with him that if there is any class of articles which ought to be taxed it is articles of luxury, and there is no greater luxury than champagne. As far as that goes I am absolutely at one with my hon. friend. The only thing I wish to draw his attention to is this. It is essential that we should keep good faith in our treaties. We are at war to-day because a treaty has not been observed. We should observe this treaty, not only in the letter, but in the spirit also; and if there is anything in my contention, and I believe there is, this treaty ought to be generously interpreted. Let me remind my hon. friend of what took place after the adoption of the Washington treaty which made fish free in the United States. There was what we thought to be a violation of the treaty, and we made representations to Washington, but our representations were of no avail, and from that day to this we have always been under the impression that the United States had in fact violated the spirit if not the letter of the treaty. I am quite agreeably impressed with the statement made by my hon. friend that he will refer the matter to the Department of Justice. The only thing I would add is that if there is any doubt at all it should be given in favour of the treaty.

Mr. PUGSLEY: I wish to say a word with regard to the articles of luxury contained in Schedule C of the French treaty. I cannot agree with the reasons given by my hon. friend for exempting some of these articles when coming from countries which are not entitled to the benefits given by the French Convention.

Mr. WHITE: Italy is one.

Mr. PUGSLEY: In times like these, when these extra taxes, claimed by the Government to be war taxes, are being imposed on all the people of the country, I do not think Italy would find very much fault if an extra tax were to be put on luxuries coming from that country; nor do I think the United States would find very much fault if an extra tax were placed upon silks, velvets, and embroideries coming from the United States into Canada. I

am not at all able to agree with my hon. friend. What are the articles exempted so far as countries other than France are concerned, and which the minister was not bound to exempt? Take anchovies, for instance. Anchovies come in larger quantities from Norway than they do from France, notwithstanding that France has the benefit of the French Convention. Anchovies are a luxury of the rich, an appetizer which the wealthy take before dinner.

Mr. WHITE: How much does my hon. friend think we should get by a tax upon anchovies?

Mr. PUGSLEY: How much does my hon. friend expect from the one-cent stamp tax on letters?

Mr. WHITE: A great deal.

Mr. PUGSLEY: It is the aggregate that counts. We manufacture sardines in this country. Why are the sardines which come from Norway exempted from the operation of this extra tax? Why do you exempt all fish packed in oil, whether from Norway, the United States, or any other maritime country? Do you exempt them simply because Canada has agreed to give a certain special tariff so far as France is concerned? Take other articles.

Embroideries, n.o.p.; laces n.o.p.; collars or collarettes in lace and all manufactures of lace; nettings of cotton; linen, silk, or other material, n.o.p.

Velvets of pure silk and silk fabrics; ribbons of all kinds and materials; manufactures of silk or of which silk is the component part of chief value, n.o.p.

Why are these articles exempted when they come in from other countries which are not enjoying the benefits of the French convention? If you will take the customs returns for the past year you will find that very large quantities of these articles of luxury came in from the United States. My hon. friend recognizes that these are articles of luxury that ought not to be exempted from a general system of taxation such as is now proposed, and which is intended to be of a temporary character. But my hon. friend, knowing, as he could not help knowing, from an examination of the customs returns, that large quantities of these articles of luxury come in from the United States, knowing that these are articles used by the rich and knowing that he is taxing all articles which are worn by the masses of the people, deliberately exempts these articles coming in from other countries, and that simply because it might be regarded as somewhat invidious if they were not exempted, the same as they are when coming from France. I cannot see any reason in the position taken by the Minister of Finance. A special convention was made with France. If there was any objection made by the people or Government of the United States—I dare say there would not be—Canada might very well say that under the convention with France we were not able to increase the tariff on goods coming from that country, but owing to the necessity of imposing taxes on all the people of Canada, we did not feel that we could properly exempt these articles of luxury, which are used by the rich, and therefore we imposed the same tax upon these goods that we imposed on other articles which are not articles of luxury to the same extent as these are. I cannot see any reason whatever for the action of the Government in making a total exemption in favour of the import from all countries of the world of these articles of luxury.

Mr. L. A. LAPOINTE: Mr. Chairman, before the committee rises, I want to put myself on record as being opposed to the imposition of this taxation, which I consider unnecessary as well as vexatious, at a time when the practice of economy is so necessary by our people. I say that during the hard times which at present prevail, and with the high cost of living, it is inopportune to increase the burdens of the people. I desire, as the representative of my own division of Montreal, to place on record my opposition to a measure of this kind.

Resolutions reported and concurred in.

CUSTOMS TARIFF WAR REVENUE BILL.

Mr. WHITE thereupon moved for leave to introduce Bill No. 75, to amend the Customs Tariff, 1907, the Act to be cited as "The Customs Tariff War Revenue Act, 1915."

Motion agreed to, and Bill read the first time.

SPECIAL WAR REVENUE BILL.

Mr. WHITE moved for leave to introduce Bill No. 76, to supplement the revenue required to meet war expenditures, to be cited as "The Special War Revenue Act, 1915."

Motion agreed to, and Bill read the first time.

YUKON PLACER MINING ACT.

Bill No. 67, to amend the Yukon Placer Mining Act—Mr. Roche—read the second time, considered in committee, reported, read the third time, and passed.

CRIMINAL CODE AMENDMENT.

On motion of Hon. C. J. Doherty (Minister of Justice) the House went into Committee on Bill No. 74, to amend the Criminal Code, Mr. Sevigny in the Chair.

On section 2—assisting alien enemies to leave Canada:

Mr. DOHERTY: This Bill was reported by a special committee appointed to consider some suggestions looking to the amendment of the Criminal Code. To it were referred a Bill introduced by the hon. member for Saskatoon (Mr. McCraney), and a Bill introduced by the hon. member for Guysborough (Mr. Sinclair.) Apart from that there was a suggestion made by the hon. member for Rouville (Mr. Lemieux), who moved a resolution upon the subject of improvement of our laws with regard to copywright, looking especially to giving an additional protection to the rights of dramatic authors. There is also embodied in the Bill a provision which is the result of a suggestion coming from one of the Chief Justices of one of the High Court Divisions of Ontario, and which he deemed it proper to make in view of the result of a prosecution instituted there against a person for aiding an individual of alien enemy nationality to leave the country. In that particular case, it not being made directly to appear that the purpose of the alien enemy in leaving the country was to aid and to assist the enemy, and furthermore the mere act of aiding such a person to leave the country under those circumstances not amounting to treason, it was found that, notwithstanding the prohibition enacted against such alien enemy leaving the country, the person aiding could not be found guilty of any violation of the Criminal Code. It seemed to the learned Chief Justice, and to me, and also to the committee, desirable that provision should be made to cover such a case.

Sir WILFRID LAURIER: What was the charge?

Mr. DOHERTY: The charge was that the parties accused had aided a person of alien enemy nationality during the present war to leave the country, although it had been deemed desirable in the Old Country—and we followed their example—to prohibit such person of alien enemy nationality from leaving the country except when, after examination by a registrar, he was granted an exeat. Therefore the person leaving the country was acting in violation of that prohibition lawfully enacted; but it was found that there was no provision in the Criminal Code which would cover the case of a person aiding and abetting him to leave the country. The parties were tried, and it was contended that such an act on the part of the accused amounted to treason; but the courts held that upon the facts as proved, the action did not amount to treason, and that there was no provision in the criminal law which would reach such a person. By this Bill, the mere aiding and abetting of a person who is of alien enemy nationality to leave the country—and we are always supposing that the name "enemy" means that we are at war with the sovereign of the nation of which the person is a subject—will be an offence now without its being necessary to establish directly on the part of the prosecution any direct purpose to aid the enemy. There are the saving words in the section, which reads:

> Every one is guilty of an indictable offence and liable to two years' imprisonment who incites or assists any subject of any foreign state or country at war with His Majesty to leave Canada, if the circumstances of the case do not exclude the possibility that assistance to the enemy is an intended object in his so leaving Canada, and if such inciting or assisting do not amount to treason.

Sir WILFRID LAURIER: There does not seem to be very much involved. What were the particulars of that case? Were the parties charged as principals or as abettors?

Mr. DOHERTY: I have not before me the report of the case. If my memory is correct, they were charged with treason as being subjects of His Majesty taking part in an operation of a nature to be of aid or assistance to an alien enemy at war with His Majesty. While that was the idea that underlay the charge, as I understand it, the evidence did not justify the statement that the people were leaving the country with any intent to do anything in the way of helping or assisting the enemy. So far as the people who sought to go out were concerned, they were in the wrong in so far as they were violating a prohibition of their going. No doubt that prohibition rested upon the assumption that in some

way their going out might be to aid or to assist the enemy country.

They were under prohibition of going out of the country. The offence charged against the parties was that they aided or assisted them to go, and I believe the charge was made upon the assumption that such aiding or assisting would amount to treason. But the court held that it did not, and it further held that there was no provision in the criminal law making, aiding or assisting a person prohibited from going out, a criminal offence; and that the proclamation, being addressed to and applying to persons of alien enemy nationality, did not apply to the person who might assist another to disobey the prohibition of the proclamation.

Mr. GERMAN: It seems to me that this clause will make it a crime for a Canadian to lend money, for instance, to a man of foreign extraction to leave this country, even though he may be going to the United States. That is not a crime, and should not be made a crime by statute.

Mr. DOHERTY: The hon. gentleman omits one very essential condition. The Bill does not purport to make it a crime to assist any person of foreign nationality to leave Canada. It does make it a crime for one to assist a person of alien enemy nationality whose country is at war with His Majesty to leave Canada, except where the circumstances do not exclude the possibility of assistance to the enemy being intended by the person so leaving Canada.

Sir WILFRID LAURIER: It seems to me unnecessary to go into all this. It is now a criminal offence for a man who is under this prohibition to leave the country. As a general rule it is not an offence for a man to leave the country, but when we are at war an alien enemy commits an offence by leaving. If I assist him in committing an offence I become an accessory. What is the reason of all this enactment? I have sympathy with the object, but it seems to me that this is a useless piece of law-making.

Mr. DOHERTY: I do not think the right hon. gentleman is quite correct in saying that if we say to an alien enemy: You are prohibited from going out of Canada, and if he goes out of Canada he commits an offence or crime. He does not commit an offence under the general criminal law. He is prohibited from leaving, and efforts are made to prevent him doing so and to retain him if he endeavours to leave. But I do not think it goes so far as to make him a criminal. Those whom we have detained in this country under this prohibition are not detained as people who have committed a crime but as prisoners of war. There has been on their part no crime, and therefore those aiding or assisting them, cannot be accessories to the commission of a crime. We want to make it an offence under the criminal law to aid or assist any person such as mentioned to violate the prohibition imposed upon him.

Section agreed to.

On section 3:

3. The following section is inserted immediately after section 357:

357a. Any person who sells or agrees to sell land or any interest in land to which he knows he has not a good title free from encumbrance, and receives the purchase money or any part thereof and without lawful excuse does not apply the money so received by him in procuring a good title or in reduction or discharge of encumbrances against the said land or interest in land, is guilty of an indictable offence and liable to three years' imprisonment.

2. Where such sale or agreement for sale is made by a body corporate, every director, officer, agent and employee of the company who knowingly takes part in any offence within the provisions of this section shall be liable to the penalty hereinbefore prescribed.

Mr. PUGSLEY: The Bill of the hon. member for Saskatoon (Mr. McCraney) is very different from this provision. That Bill provided that the vendor receiving money for land should hold it in trust and apply it in obtaining a title, but I am afraid that this section goes to dangerous length. Let me read it:

Any person who sells or agrees to sell land or any interest in land to which he knows he has not a good title free from encumbrance, and receives the purchase money or any part thereof and without lawful excuse does not apply the money so received by him in procuring a good title or in reduction or discharge of encumbrances against the said land or interest in land, is guilty of an indictable offence and liable to three years' imprisonment.

Perhaps I could illustrate my point by stating a case with which I am familiar. Take the case of a land company selling land against which there is an encumbrance. That company is very careful to keep enough money in reserve to make good the title when the vendor pays all that is due. But if anything should happen to the investment, no matter how careful the company might be, I am inclined to think that the directors would be liable to be sent to the penitentiary because they had not put all the money in the Government savings bank in order absolutely to do away with

the possibility of any loss. In the particular case of which I speak the purchasers of the land all know of the encumbrance. In this Bill no exception is made of a case in which the purchaser may know that there is an encumbrance upon the property. He might be paying by instalments, and might know that the title could not be obtained for a number of years; yet if anything should happen, the vendor would be criminally liable. I am afraid it goes too far. This section says:

> If he receives the purchase money or any part thereof and without lawful excuse does not apply the money.

What would be a lawful excuse? Would it be that the original owner would not take the money—he is not obliged to take it within a certain term of years. Would that be a lawful excuse? I do not think it would be. I did not see the Bill until to-day, but I suggest to the Minister of Justice that it is worthy of very careful consideration before it is passed.

Mr. DOHERTY: I quite agree with the hon. member that the dispositions of the proposed enactment certainly call for very careful consideration. I do not think that any of the members of the special committee that dealt with it were blind to the dangers that might be involved in passing this section. We endeavoured, however, to get at a formula which would reach those who are intended to be reached, and at all events to do as little injury as possible to anybody engaged in a legitimate business. In the case which the hon. member suggested, it would seem at first glance as though the circumstances which he related would constitute a lawful excuse. But this is the evil that is sought to be got at—and perhaps that is the clearest way of explaining the purpose of this section. If its wording can be amended in order more absolutely to ensure the attainment of its purposes, and to make as remote as possible any injurious consequence to people doing a legitimate business, I certainly shall be glad to accept any suggestion in that direction. The class of people who are sought to be reached by this legislation are to be found in considerable numbers in the West—at all events their lands are there—and they are also to be found in eastern Canada. Most of the lands are in the more or less approximate neighbourhood of our great cities. What this class of man does is this: he goes out and gets a promise of sale, or, perhaps, a sale subject to a very large encumbrance, of a large tract of land, or he may get an option upon it. He then subdivides that land into small lots, advertises them, takes people out to see them, gives the whole tract a beautiful name, submits a beautiful plan for its development, and proceeds to sell these small lots, taking a small payment down and the balance in instalments. In that way he disposes of a great number of lots, and when the monthly payments are all made the unfortunate purchaser asks for his title, only to find that the vendor himself can get no title, or, at all events, no clear title until he has made further large payments.

Mr. A. K. MACLEAN: Why do the purchasers not look after their business properly?

Mr. DOHERTY: I think it is to be admitted that this proposed legislation is to protect people who do not look after their business. If everybody looked after his business, there would be no justification for this legislation. But the class of people who have been made to suffer in this way may not unfairly be described as unable to look after their business; they do not understand these things. It is represented to me on credible authority that a large number of the victims of this kind of business are domestic servant girls and young men and women employed as clerks.

Mr. A. K. MACLEAN: Will making the offence a crime minimize the possibility of its recurrence?

Mr. DOHERTY: It was hoped that the people engaged in this kind of business, who managed to get the money out of these unfortunates and to keep themselves in a position of independence in respect of the execution of a judgment, might have some fear if they saw the penitentiary before them.

Mr. A. K. MACLEAN: Would it not be a crime in any event for the vendor to dispose of the receipts for the money of the purchasers and not apply that money to the liquidation of the securities against the land?

Mr. DOHERTY: Morally, yes.

Mr. MACLEAN: I did not mean morally.

Mr. DOHERTY: I do not know that there is any provision in the criminal law to cover that.

Mr. MACLEAN: I should think that somewhere in the transaction there would be an element of fraud.

Mr. DOHERTY: These gentlemen are very ingenious, and cover these things up. No doubt the transaction is utterly dishonest, but in the contract there is not any express stipulation that the one dollar or two dollars a week, or whatever it is, that is collected is to be immediately paid over; the business is not carried on in that way. I do not think that it can be suggested that you can find anything in the law to create a trust as regards these moneys. There are provisions which make the diversion of trust funds a crime. As the Bill was originally introduced, it proceeded upon the line of declaring the existence of a trust when people received money in this particular way. In that form it seemed to be open to the objection that whether or not that constituted a trust was a matter of civil and not of criminal law. I dare say that this might have been adjusted by inserting a provision which would bring such an act under the section that makes a breach of trust a crime under certain circumstances, but it seemed more desirable to get at just the thing that was done, to say that it is an offence and to punish it. As I have said, this legislation is to take care of people who do not know how to take care of their own business. With regard to those who are able to take care of their own business they do not need protection, but I do not know that any evil can arise from our trying to protect the other by putting the terror of the penitentiary before persons who are engaged in operations of this kind.

Mr. A. K. MACLEAN: Would it not be better to go to the provincial legislature and ask them to say that no such contract as the minister has described can legally take place without the intervention of a trustee, that is that the land should be conveyed to a trustee and all payments made to the trustee. You might prevent it in that way, but I do not think that this Bill will stop the offence.

Mr. PUGSLEY: What would be the minister's interpretation of the words "lawful excuse"?

Mr. DOHERTY: In the committee we went over that at considerable length, but we concluded that we might safely leave it to the court. For instance, one thing that would be a lawful excuse would be where the vendor of these small lots explained fully all the circumstances to the purchaser and the documents showed that the purchaser knew all about it and therefore was absolutely trusting the vendor, and when it was shown that in using the money, not immediately applying it to the clearing of the title but using it otherwise, the vendor was acting in accordance with what was clearly understood by all parties to the transaction, he would have a lawful excuse; but to undertake to define all the circumstances that might constitute a lawful excuse would be a good deal of an undertaking. I propose to suggest the addition of some lines to make it more clear that in some cases a man not only has a lawful excuse, but may be justified.

Mr. PUGSLEY: Take a company which sets aside, bona fide, a reserve for the purpose of meeting the demands of the original owners, but through some misfortune, the failure of a bank or a trust company, the money is lost. By this you would have to send the directors to the penitentiary. Would that not be a lawful excuse?

Mr. DOHERTY: Would that not be a case where they had not retained the actual money but had set aside a reserve of sufficient money to provide for the clearing of the title? I should think that would not be a question of lawful excuse, but a case where the parties did not do the thing contemplated by the statute. I hardly think that the court would give it such a Judaic interpretation as that.

Mr. PUGSLEY: Supposing that a company invested the money but the investment became less valuable or the money was lost, would that be a lawful excuse?

Mr. DOHERTY: I do not think the statute would cover the case of the loss of money unless, being under obligation to apply it at once they had diverted the money to other purpose.

Mr. PUGSLEY: Would the minister accept an amendment which would make the thing more clear?

Mr. DOHERTY: I would welcome it.

Mr. CARVELL: In many cases lands of this kind are purchased by corporations and companies. They have to pay officers, agents and commission; and certain expenses connected with the business, and the company is perhaps doing a good business. The land is being sold fairly rapidly and they have reasonable grounds to believe that they will be able to set aside enough to pay these owners; they then declare a reasonable dividend upon the shares of the company, even before the property is entirely paid for—and then things would go

bad as they have done in the West and in many places in the East. Would that be a lawful excuse? You will notice that the wording of the section is very strong:

> And if he receives the purchase money or any part thereof and, without lawful excuse, does not apply the money so received.

That means if they do not apply the last $5 of that money towards either paying for the title or providing for the encumbrances, they come within the purview of the statute. My hon. friend beside me says they might have to pay taxes. I think anybody will admit that as a lawful excuse. But if they paid commissions or dealt even generously with themselves in paying dividends, what would the minister think about that?

Mr. DOHERTY: It always comes back to this, whether they have retained sufficient money to meet these obligations. I do not take it to mean that we are going to follow the particular bills they get to see what they do with them, they might pay dividends if they had enough money at the time to meet their obligations. Then I think they would be perfectly justified in paying dividends and that would be a lawful excuse; that having made the profits they paid the dividends, always retaining enough to meet these obligations when they would be called upon to do so. But again I say I would welcome any suggestion that would enable us to make this law applicable to the dishonest handler of real estate and protect the honest one. While I have a sort of shared responsiblity, this particular clause is the child of the hon. member for Saskatoon (Mr. McCraney), and he succeeded in impressing it upon the special committee. This Bill carries out the idea of the Bill he introduced.

Mr. GREEN: Not being a lawyer, I am somewhat diffident about entering into this particular discussion. It seems to me that the object sought to be attained is to protect, shall I say the fool or the man who does not apply ordinary business principles to his transactions? This amendment, it seems to me, would do away with dealings in agreements of sale. You take an agreement that has passed through one, two, three or four hands, must each individual see that the money has been applied to the purpose of paying off somebody ahead of him? If any man would apply ordinary business methods and ordinary business sense in a transaction of this kind he would not find himself in a position such as is sought to be covered here, that he cannot get title after he has paid the money. You cannot protect people who will not pay the ordinary reasonable attention to the business they are attempting to transact. I think myself this particular clause should be withdrawn from the Bill.

Mr. C. A. WILSON: It seems to me one part of this Bill contradicts the other. Section 3 says:

> Any person who sells or agrees to sell land or any interest in land to which he knows he has not a good title free from encumbrance,—

That is perfectly clear. It must be a perfect title. A little further on it says:

> —or in reduction or discharge of encumbrances against the said land.

I would like some explanation of the expression "good title." Can a title be good that is not free from encumbrances? I am inclined to think that we should not call that in French a bon titre.

Mr. DOHERTY: What the section says is, not the man who has a good title free from encumbrance, but the man who has not a good title free from encumbrance. The Bill provides that when a man has not a good title free from encumbrance the money must be applied to clearing off those encumbrances.

Mr. A. K. MACLEAN: Supposing there was only a sale of equity in the property, and that it was never intended that the encumbrances should be discharged. Surely it would not be expected that the vendor should apply all the money he receives towards reducing an encumbrance which he was never intended to release.

Mr. DOHERTY: The section provides for the case of a person who sells or agrees to sell land; that is one case; and secondly, it provides for the case of a person who sells or agrees to sell any interest in land. That would cover the case of a man who sold the equity in land to which he knew he had not a good title when something remains to be done to perfect the title, and of course the man has no title at all. Fraud may be committed by a man without any title at all.

Mr. C. A. WILSON: A man may sell his neighbour's property.

Mr. DOHERTY: Such things have happened.

Mr. E. M. MACDONALD: I think the Bill is intended to cover a number of cases that

developed in the recent land boom in the West. I submit that to put legislation of this character on the statute book at this time would result in the blackmailing of many an honest man in the eastern provinces who has sold property in good faith. Take the conditions that exist in my own province. Under the system of registration of titles that we have down there, property frequently passes from one man to another without any searching of title. When a farmer sells some property to another farmer he passes the property by
10 p.m. deed and gets a conveyancer, not a lawyer, to do the work. He does not bother to go to the registration office in a great many cases. Suppose that it developed afterwards that some old encumbrance had been against the property seventeen or eighteen years before, and that no claim had ever been put forward in respect to it. The man who originally held the encumbrance might have died suddenly and his heirs or executors turn up and assert these encumbrances. There are various questions of equity and rights that might arise between the parties, and irrespective altogether of whether you could show a crime within this Act, look at the possibility of so many honest men being liable to be pilloried and brought before a criminal court in order to show that they had transferred the property in good faith. In my province, where I am actually engaged in the practice of the law, I could cite numerous cases to the minister where hardship would be done if you made it possible to bring before a criminal court every one of our honest people down there who have transferred property.

Mr. CARVELL: This is only against the man who sells it knowingly.

Mr. MACDONALD: That is not the question. We know that an honest man can defend himself and get justice from the jury if he goes into court; but the question is, should he be made liable to the danger of prosecution? As I said, nine-tenths of the property transfers in our part of the country are made without any search of title. Titles are searched only by close business men, companies, and people generally engaged in business; but in the ordinary conveyance from man to man the title is not searched. In answer to my hon. friend from Carleton (Mr. Carvell), my objection is this: That you are putting it into the hands of a purchaser to pillory a perfectly honest man and bring him before a jury to prove that he did not know there was an encumbrance against the property he sold. Further, this legislation is simply locking the door after the steed is stolen, for the land boom in the West is over, and nowadays any man who buys property sees that he gets the goods before paying his money.

Mr. BARNARD: I agree with my hon. friend from Kootenay that this clause should be struck out. I do not believe in legislation of this character. I think the law as it stands to-day in most of the provinces, sufficiently protects purchasers. There is no reason why a person who wishes to buy a piece of property cannot find out exactly what encumbrances are against it, and protect himself before making his payments. I do not think this amendment to the code has received the consideration it should have received. I think that the Bill might very well stand over until next session. I do not say that it is altogether desirable, but undoubtedly a practice does prevail in different provinces throughout the country of dealing in agreements for sale of land. I think if this amendment to the code were carried it would be going very much farther than anybody in this House has any conception of, and for these reasons I am opposed to it.

Mr. G. E. McCRANEY (Saskatoon): I think if my hon. friend from Victoria looks into the matter, he will find that the law of the provinces does not provide an adequate remedy for purchasers. He will see that there is absolutely no protection at all against a vendor who has no financial responsibility. This Bill was introduced by me because of numerous cases which have come to my attention as a practising lawyer in my own province. My hon. friend, who is a lawyer, knows the remedies as well as I do. I will give a case that has come to my attention in which there is not element of fraud, and my hon. friend will see the necessity of making some provision in the law which will compel a vendor to apply the moneys that he has received the discharge of encumbrances.

Mr. MARCIL: Could you not do that by provincial legislation?

Mr. McCRANEY: Under the law as it is at present, a man having paid for his land, or nearly paid for it, or who is ready to make his last payment, is entitled to sue for specific performance. In default of

specific performance he is entitled to a judgment for damages. He cannot get specific performance, and a judgment for damages is absolutely of no use to him. The provincial legislature cannot legislate any further than the voiding of the contract. It can impose no penalties which in future will be any terror to a man, or make him deal fairly, or prevent a repetition of what has already occurred. Here is a model case, and it is one of the best cases I have in mind: a party purchases 6,400 acres, or ten sections, of land. He sells a quarter-section at a considerable profit. He receives most of his money; the balance, I think in this particular case, was some $800. He came to me and said: I want you to see that I get title. When I came to go into the matter, I found that there were encumbrances to the extent of several thousand dol'ars against the 6,400 acres of which this 160 acres was only a small part, and that the money that had been paid in by my client had not been applied to the discharging of these encumbrances or to taking care of the title, but had been used for other purposes altogether. I said there was no fraud as far as I knew.

Mr. BARNARD: If it had come before the court how would you have advised him?

Mr. McCRANEY: I would have advised him to give up the purchase altogether. But he did not come to me, and it is a good deal, as the hon. member for Pictou (Mr. Macdonald) points out, in our province as in his; these transactions are not conducted through solicitors. They are conducted largely between the parties themselves. While the hon. member for Pictou wants the law left in its present unsatisfactory condition because that practice prevails in his province, it is because that very practice prevails in my province that I want the law amended to protect these people. The other case which I wish to mention is that in which a school-teacher invested $1,500, which it had taken her some years to earn. She came to me too late; she cannot get her $1,500 and has no remedy, because the man who received the money spent it very foolishly. Had the law been that he should turn all the money in to clear up the land which he purported to sell, I am satisfied that he would have done it. As to the particular language of the section, I have no choice. I wanted to get at the evil, and I drafted certain language. Perhaps my draft, in the view of the committee, and having reference to what the minister has said, is along lines that could have been dealt with by provincial legislation. It might be wel for the provincial legislature to declare that moneys paid by a purchaser under such circumstances should be trust moneys, but while they do that they can impose no penalties of a criminal character.

Mr. PROULX: I think the law should protect the confiding and unwary. I know of cases where money has been paid by purchasers to vendors, who, having promised to discharge certain encumbrances, have not done it. If we had a provision in the Criminal Code making them liable to imprisonment, we might have more honesty in the vendors of land.

Mr. A. A. McLEAN: About a year or two ago a number of men came from the West to the East selling land, and collecting large sums of money. When the purchasers asked for their deeds, they found that the sellers did not own the land at all. The men who came were men who represented companies with high-sounding names, some from the city of Toronto. An investigation was made by a great number of these people, representing some $10,000 in money, and they found that the company which was selling this land through agents never had spent one cent for the land. When the purchasers attempted to collect the money they found that the company had gone into liquidation. This is a case which this Act will meet. I think that this is good legislation and that men who do acts of that kind, and have been doing them all through the maritime provinces, should be punished. Of course, the public were foolish in paying out their money to men whom they did not know and without making an investigation as to title; but the unsuspecting public will always exist. I think this protection should be retroactive. It should have been on the statute book before. During the boom in the West hundreds of thousands of dollars have been paid by people in the maritime provinces to irresponsible men and there have been no returns.

Mr. W. M. MARTIN: I wish to ask the hon. Minister of Justice whether this legislation is retroactive and would apply to any transaction that has been entered into up to the present time?

Mr. DOHERTY: There is nothing in the Act which makes it apply to what a man did before the Act was passed.

Mr. MARTIN: If that is the case, it is scarcely worth while enacting this legisla-

tion now, because, as a number of hon. members have remarked, the so-called boom and speculation in real estate has pretty well passed, and the damage has already been done. I noticed that the Minister of Justice, also the hon. member for Pictou (Mr. Macdonald), and now the hon. member for Queens, P.E.I. (Mr. A. A. McLean), have made statements indicating that all the ill-advised speculation which has taken place in Canada during the past two years had taken place in the West.

Mr. DOHERTY: I thought I gave the East its fair share.

Mr. MARTIN: The minister may have corrected himself later, but I think he referred to the western land boom. Then we have the hon. member for Queens, P.E.I., saying that his friends down there were—I do not know whether he said robbed—by people coming from western Canada. So far as speculation in western Canada is concerned, there has been a good deal of it bad, but a good deal of it good. I do not think there has been more speculation of a bad character in western Canada than there has been in eastern Canada. All the cities of Canada during the last few years have been engaged in wild speculation. The fever seems to be abroad, no matter whether you are in the East or in the West. I would far sooner invest my money in land in the West than in the mines of Cobalt or in the fox-farming industry of Prince Edward Island, where I believe the companies even go so far as to sell the young foxes before they are born.

I was favourably impressed with this legislation when it was introduced by the hon. member for Saskatoon (Mr. McCraney). I saw the Bill, and I have kept conversant with its progress through the committee, although I was not a member of that committee. No one can deny that some necessity exists of protecting the people who have been or who may be wronged by real estate agents; but if you introduce legislation to protect people against real estate agents, you will have to introduce legislation to protect people against the fraudulent sale of other commodities than real estate. It is perhaps too much to ask an ordinary individual to consult a lawyer every time he buys a piece of property. That is all right from the lawyer's standpoint; but from the standpoint of the ordinary individual, it is too much trouble and expense. Some amendment might be put into the Bill which would meet the case. For instance, if it could be shown that knowledge of the circumstances of the title had been given to any purchaser, there could be no complaint. This Bill will strike with some force, and perhaps do some injury to companies like colonization companies which have been doing good work in the colonization of western Canada within the past number of years, and which perhaps, when immigration begins again, will do some more good work.

As regards speculation in the East and in the West, the worst subdivisions that have been put on the market in western Canada have been put on by men coming from eastern Canada and from the United States, but mostly by men from Ontario. The case at present going on in the Toronto police court, where five men were charged very recently, bears out my statement. If the assets or the resources of western Canada have been exploited to the injury of the people in Nova Scotia and Prince Edward Island, that exploitation has been done very largely by people of eastern Canada and not by bona fide residents of western Canada.

Mr. MARCIL: They employ agents.

Mr. MARTIN: I do not know anything about that. The worst subdivisions put on the market in Regina, Edmonton, Calgary or Saskatoon have been floated in England by men who have been dealt with in the columns of Toronto Saturday Night. With regard to this legislation, I cannot see any force in the words "without lawful excuse." What can a man give in court as a lawful excuse? The Minister of Justice says: we shall leave it to the discretion of the judge in any particular case. What is the judge going to say? If I get money from a man to whom I have sold property and I put it into a bank in order to give it to the man from whom I have bought the property, and the bank fails, will that be a lawful excuse? If I put my money into a mortgage which was secure at the time, and which to-day has decreased in value and is not secure, will that be a lawful excuse? In view of the criticism that has been made of this measure to-night, it may be a very wise course to pursue to have the matter delayed for a short time until some amendment to the Bill can be considered.

Mr. MORPHY: Mr. Chairman, I was a member of the Special Committee to which this Bill was referred. Not having heard the discussion of a few moments ago in this House I hope I shall not repeat something that has already been said. We experienced

a great deal of difficulty in regard to the Bill introduced by the hon. member for Saskatoon (Mr. McCraney); but as there was a general opinion that something should be done, the Bill was sent forward in this form. After a little further consideration of the Bill, I came to the conclusion that one weakness was just what the hon. member for Regina (Mr. Martin) pointed out, namely, the indefinite meaning of the words "without lawful excuse." The next objection that I see to it is that it hits the honest man as well as the fakir—I say it without any disrespect—who is a real estate agent only in times of boom when he goes into the business because he sees other people making money. We have in Canada a number of reputable, established firms who have been engaged in the real estate business to the satisfaction of their clients and who have been honest in their dealings. It seems to me that the language of this section would hit them and prevent honest, fair dealing with the people, and in fact prevent proper expansion and development in time of need. Therefore, I would rather fall in with the suggestion of the hon. member for Regina and say that this House should take more time for consideration before putting upon the statute book a measure which may lead to consequences that are not immediately apparent. As it is rather a radical section, it should be worded so as to reach the man of criminal intent only.

Mr. DOHERTY: In view of the new proposal brought forward, I think this clause might with the consent of the committee be allowed to stand for further consideration.

On section 4—fraud, etc., in connection with sale, etc., of military stores:

Mr. A. K. MACLEAN: Why are the provisions of this section made to apply merely to military, militia and naval stores? Why should they not apply to stores bought for any department of Government at any time?

Mr. DOHERTY: This is another section introduced originally by a member of the House, one who, no doubt, was impressed with the necessity of giving at this time special protection in the case of purchases made for military and naval purposes. Whether it is desirable to extend this very special protection to cover all transactions with the Government is a matter perhaps for some consideration. It is pointed out that we are giving very special protection here in making it a crime to supply defective stores. I have no hesitation in saying that present conditions make it fairly clear that it would be wise to make this provision with regard to this particular kind of stores. These stores are bought in large quantities and in a great hurry and under circumstances where it is not possible to proceed with all the care that might be taken in the case of other stores required in the normal condition of affairs. I am not saying that it is not desirable to extend this protection to all transactions with Government, but the proposal as it came to the committee dealt with naval and army stores, and it might as well be frankly admitted that the other subject did not occur to the committee. It is in any case not as pressing.

Section agreed to.

On section 5—performing dramatic, etc., copyright works without consent of author:

Mr. W. H. BENNETT: Supposing that an amateur with some ability, in preparing for a church concert or something of that kind, strings together a number of popular airs from copyrighted operas and gives them in public, what would be the result?

Mr. DOHERTY: The section confines it to such performances as are made for private profit.

Mr. BENNETT: I have a case in mind A person having more than usual ability as an amateur actress made a play of airs from comic operas. If the entertainment proved a success and it were taken to a neighbouring town, the party might be liable to imprisonment for a term not exceeding two months. Would that be the effect?

Mr. DOHERTY: If a person takes copyrighted property and uses it for private purposes, the mere fact that some charity gets a share of the profit would not relieve the party. This section reproduces the provisions of the English law on the subject and these provisions were in substance adopted in this House of Commons in 1909, at the instance of the Hon. Mr. Aylesworth, then Minister of Justice. I am not quite clear that there would be very great hardship in the case suggested by the hon. member. But it has been brought to our attention that there is really very great injustice caused and going unpunished under the law as it stands. We have had not a few instances of reproduction, purely for private profit, of dramatic masterpieces, the production of distinguished foreign authors, by utterly irresponsible people who have

managed to run them for a few weeks and make money out of them, and who, when a remedy was sought by recourse to the civil court, were found to be perfectly independent of any means at the disposal of those courts to compel them to indemnify the parties suffering. They were without assets get-atable and were irresponsible in every way, and the complainants found themselves in a position where they had no remedy. The matter was very forcibly brought before this House by the hon. member for Rouville (Mr. Lemieux), who moved a resolution which still stands on the Order Paper, and which was debated, but the debate adjourned. It commended itself to the members of the committee. There certainly is a wrong here without any adequate remedy. I have had communications that have made it clear to me that the continued existence of that wrong created an opinion among people in other countries whose opinion is worth something not over-favourable to our consideration in Canada for that sort of property which consists of the products of man's intellect.

Even if it should happen to operate in some way to embarrass people who want to use copyrighted productions for charitable purposes, I think that the evil to be remedied is greater than any evil which could arise under those circumstances.

Mr. W. H. BENNETT: I would call the minister's attention to the words "in whole or in part." The song introduced might be a single selection from a comic opera.

Mr. DOHERTY: If there is a copyright on a single song it may or may not be worth anybody's while to protect it, but under our copyright law we have given to the author the right that no one shall reproduce it. It is true you may get it down to such a small point that it will not be worth complaining of, but we have recognized by law, under our own statutes, the right of a man to say that no one shall reproduce his copyrighted work. It seems to me that we ought to follow that up by giving adequate sanction to our own law: to make our own law respected.

Section agreed to.

On section 6—penalty for being inmate of bawdy house:

Mr. W. H. BENNETT: Will the hon. gentleman explain this amendment?

Mr. DOHERTY: The purpose is to make possible the imposition of a longer term of imprisonment upon persons who are found guilty of the offences here described. With regard to young girls who unfortunately find themselves inmates of institutions of this kind, under the law as it stands at present there is no means by which they can be placed under control and guidance and direction for a sufficiently long period of time to bring about a reformation.

Mr. C. A. WILSON: What about the Bon Pasteur institution?

Mr. DOHERTY: The Bon Pasteur institution is a most excellent place, but under the law as it now stands a girl could not be committed there for more than three or four months—I have forgotten the exact period. It is sought to make it possible to send girls there for a year, so that if in the judgment of the magistrate the case is one in respect of which that period of time should be fixed, a long enough time may be provided to enable the reformative influences to produce an effective result. It has been pressed upon me strongly, not only by persons connected with the women's jail in Montreal and the institution referred to by the hon. member for Laval, but also by other people of, I might say, almost all the religious denominations who take an active interest in the reformation of these unfortunate girls, that this proposed amendment would be a great improvement upon the law. This opinion is expressed not because there is a desire to see these children—because in many cases they are mere children—more severely punished, but because they see that what happens is this: these young girls who are sent in for a month or two months may develop good dispositions while they are there, but there is not time to bring them to that frame of mind where you can look for perseverance I have been told by perfectly credible people that in many cases the unfortunate experience of the matrons and those who are in charge of these jails is that they stand at the door as the young woman goes out after a couple of months and see her whisked off in the automobile of the proprietor of the house for being an inmate of which she was convicted. While this amendment, on its face, looks like the exercising of greater severity towards these unfortunate children, it can be made to operate as a very great assistance in bringing about the reform of young women of this class. It is made applicable even on first offence. That is done because it is pointed out by those who speak

from experience that if you reserve the application of such a provision for the second, third or fourth offence, you practically do away with the possibility of carrying out an effective reform.

Section agreed to.

On section 7—penalty for third, etc., convictions:

Mr. PROULX: Section 228, referred to in this section, deals with the keeper, does it not?

Mr. DOHERTY: Yes; it makes a long term of imprisonment possible upon conviction for third or fourth offence.

Mr. MARCIL: Do you deal with the proprietors of houses in which such places are kept? They are the great source of complaint in Montreal.

Mr. DOHERTY: The provisions which I laid before the House two sessions ago cover fairly well, I think, the matter of dealing with the proprietors of these houses.

Section agreed to.

Mr. DOHERTY: Although I feel that there is room for improvement in the law so far as it reaches or fails to reach the class of people sought to be reached by section 357 A which it was proposed to enact under section 3 of this Bill, I intend to move that section 3 be struck out. That does not mean that I would not give further consideration to the matter; I think that it certainly will require serious consideration, and if it be found desirable to proceed with it, it might be dealt with by another Bill. In any case, it is not desirable to retard the passing of these other amendments, which, I think, are all important. I beg to move, therefore, that the Bill be amended by striking out section 3 thereof.

Motion agreed to.

Mr. C. A. WILSON (Laval) (Translation): Mr. Speaker, during the last session and also since the beginning of the present session, I moved for a full return of criminals found guilty and sentenced to capital punishment. That return I have now received. May I ask the Minister of Justice if he intends to have that return printed? It is most interesting and has required for its preparation a good deal of work on the part of the officers of the department. Besides, it proceeds on the same lines as a similar report published in England. I would not have a large number of copies printed, but I submit that it would be advisable to obtain a certain number of copies, to be distributed to the members of this House, the senators, the justices of various courts and to lawyers who would apply for it, in order that these various persons could be informed as to the development of crime in this country.

Hon. Mr. DOHERTY (Translation): I think, it would certainly not be desirable to have such a return printed and distributed broadcast. It contains the names of persons who are still living but who have served their sentence and paid their debt to society. Such a report would be most injurious to them. I think it would not be well to make public a report that would draw public attention to the guilt of persons who are now leading an honest life.

It seems however that no objection could be taken to having a certain number of copies printed so long as we could control the distribution and limit it to the members of this House, the members of the Senate and the justices of the different courts.

Mr. WILSON: As in the case of divorce proceedings, for instance.

Hon. Mr. DOHERTY: When I have more time at my disposal, I shall gladly try to hand a copy of this report to all those who take an interest in the question. But I am anxious to prevent the circulation of such facts among people animated by mere curiosity, who might spread among the public data of a damaging and depressing character.

Bill reported.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Department of Agriculture—Civil Government, salaries, $439,637.50.

Mr. J. J. HUGHES: I desire to secure some information about the regulations governing the shipping of potatoes. I presume that the acting Minister of Agriculture (Hon. J. D. Reid) is not familiar with this matter and I would therefore ask that when his Estimates are next before the House he should have with him the official in charge of this matter. The regulations were passed on the 4th of November last and published in the Canada Gazette. They are simply impossible so far as Prince Edward Island is concerned; you might just as well pass a law that no potatoes should be shipped from the island.

Hon. J. D. REID (Acting Minister of Agriculture): I am glad the hon. member has called my attention to this matter. The regulations were drawn by the head of the botanist's department. Previous to that there was an embargo on potatoes going to the United States. In order to secure the admission of Canadian potatoes to the United States, the regulations of which the hon. member complains, were drawn up by arrangement between the United States and Canada. Similar regulations are in force in the United States with respect to the shipment of potatoes.

Mr. HUGHES: These regulations apply to any other province in Canada, not to the United States at all.

Mr. REID: If you had not the same inspection for potatoes going to the other provinces we could not have secured the admission of any Canadian potatoes to the United States. The hon. member can see the necessity of having the regulations apply to shipments between provinces. Otherwise, potatoes might be shipped from New Brunswick or Prince Edward Island to Ontario, and from Ontario across the line.

Mr. HUGHES: But this prevents us from shipping potatoes to Nova Scotia or Newfoundland.

Mr. REID: There are no regulations to prevent shipment between Prince Edward Island and Nova Scotia.

Mr. HUGHES: The regulations provide:

(b) No infected potatoes shall be moved from the infected area within the Dominion of Canada to or through any other province outside this area, nor to any British or foreign country, territory or district thereof.

(c) It shall be illegal to sell, offer for sale, dispose of in any way, receive or use, for seed, any potatoes affected with powdery scab.

3. Concerning movement of disease—free potatoes from the infected area.

(a) No potatoes may be offered for shipment to or through the disease-free area unless the invoice is accompanied by an original certificate, and unless each container is plainly labelled as provided hereafter, and bears a copy certificate stating that the potatoes:

(b) labeled "first grade potatoes" are of clean stock, were grown from clean seed and in soil not infected with powdery scab or any disease similar to powdery scab, and have not been in contact with any material, container or implement, through which they might have become infected with powdery scab and that have been inspected by an officer of this department before being offered for shipment and have been found free from powdery scab.

And then it goes on:

(c) Persons intending to ship potatoes should apply for inspection thereof at least five days in advance of the date of shipment, provided that persons using warehouses from which shipments are being made every third day or oftener, may request continuous inspection service, subject to special arrangements as to days when inspection shall be made. Each application shall state where the potatoes are located, their aproximate quantity and the expected date of loading. Forms of application for inspection will be furnished by the Dominion Botanist.

The bulk of the potatoes from Prince Edward Island are shipped in sailing vessels, which are engaged by wire, either telephone or telegraph. The season for shipping is very short and loading has to begin the day the vessel is chartered, because only a few days are allowed for loading and discharging. It would be almost impossible to give five days' notice to an inspector, because generally you would not know when you were going to get a vessel; you have to take your chance.

Mr. REID: Let me give my hon. friend my understanding of these regulations. The provinces of Quebec, New Brunswick, Nova Scotia and Prince Edward Island are not within the infected area of powdery scab, but everything west of the province of Quebec comes within the regulations that my hon. friend has just read. It was impossible for the Department of Agriculture to get the United States to raise their embargo on the shipment of Canadian potatoes unless we agreed to joint regulations, and their head botanist and the botanist for the Department of Agriculture got together and made joint regulations.

Mr. HUGHES: I can understand that.

Mr. REID: That is where the line was drawn. Our representative was anxious to include the whole of Canada, but they drew the line at the province of Quebec, and we had to agree to that. The hon. member will see therefore that there is no embargo at all in so far as shipments from Prince Edward Island and the provinces east of the Quebec boundary are concerned, but so far as west of that line is concerned, the regulations apply.

Mr. HUGHES: One of the officers who was inspecting on the island last fall held a different view. He may have been wrong, but he told me, when we were shipping potatoes to Nova Scotia, that we were liable to a fine unless we had them inspected. To inspect all the potatoes shipped would require at least one hundred inspectors in

that province. If the facts are as the minister has stated, that removes most of the difficulty.

Mr. REID: This matter came up only a few days ago in connection with the trouble we had over a shipment to Boston. The position was explained to me then, and the deputy minister tells me now, that the explanation I have just given is perfectly correct. The regulations speak for themselves he says, and if the official in Prince Edward Island interpreted the regulations differently he was in the wrong.

Mr. LAW: Is the embargo still on shipments of potatoes from Canada to the United States? Is there anything new?

Mr. REID: It is still on; there is nothing new.

Mr. ROBB: Is there an embargo on the shipment of live stock, more
11 p.m. particularly horses, from Canada to the United States?

Mr. REID: As I understand it, an embargo has been placed on horses suitable for war purposes. If I recollect aright, horses between the ages of four and nine, or perhaps eleven, are not allowed to be exported if suitable for army purposes, but any horses between those ages that are unsuitable can be exported. I think the buyers do not take gray horses, horses with blemishes, or very valuable horses. Horses under or above the ages I have mentioned are allowed to be exported.

Mr. PUGSLEY: Does the Government undertake to purchase from the farmers all the horses which are not allowed to be exported?

Mr. REID: I could not answer that. That would be a question for the Minister of Militia.

Mr. PUGSLEY: The reason I ask is that in my opinion the reason we have ministers in different departments is that the minister representing a particular class in the Dominion can look after the interest of that class when questions affecting them come up. This is a very serious matter to the farmers of this country, they are placed at a very serious disadvantage if they are not allowed to export their horses to the United States. Hay is at a very high price, and the scarcity of feed in the West makes it almost an impossibility to feed the stock.

I heard the other day of a number of farmers in the Eastern Townships who had actually sold their horses, or were desirous of selling them, because they could not very well keep them during the winter, and they were told that they would not be allowed to send them out of the country, and that if they attempted to do so the customs officials at the border would send them back. That is a very great hardship. It seems to me that it is the duty of the Minister of Agriculture to look after the interests of the farmers, and to know whether a market is being provided by the Government for these horses which the farmers are prevented from sending out of the country. The Minister of Agriculture should inform himself upon that point, and should let it be known, so that the farmers will understand the position in which they are in regard to horses, which are suitable for military purposes. I am told—I do not know how true it is—the acting Minister of Agriculture probably has informed himself or will inform himself upon the matter—that a very considerable degree of discrimination has been made between farmers, as to which side of politics they are on. I am told that buyers of horses do not treat with equal favour Liberals and Conservatives. I have been told that in one locality, at all events, owners of horses had been given cards, which they could present to the purchasing agents, to indicate that they were of the right political stripe, and that it would be proper to buy their horses. That is not right. There should be no discrimination, and if the Government forbids farmers finding a market for their horses, the Government ought to be prepared to take these horses at a fair and reasonable price.

Mr. REID: This embargo was placed on horses by the Government for the reason that the British Government asked us to do so. Embargo was placed on many things, and amongst others on horses, in order that they might have a sufficient number for the war.

Mr. PUGSLEY: Was or was not that before the British Government began buying in the United States, and is it not a fact that the agents of the Government are making purchases of horses in the United States in very large numbers and that these horses are being shipped through United States ports?

Mr. REID: Let me first answer the remarks of my hon. friend in reference to Canadian horses. This Government is purchasing in the several provinces a large

number of horses for use at the front. When a person wishes to export horses to the United States, and he brings it to the attention of the Government, the horses are allowed to go if they are outside of the embargo. If any person wishes to sell horses in this country, there is no trouble selling them either to this Government or to the British Government. The British Government have bought a great many horses in Canada and are continuing buying at the present time. I can hardly credit the statement of the hon. member, that a practice such as he suggests is carried on, although he states that he has heard of it. I do not know whether he knows it to be the fact.

Mr. CARVELL: You have not been in Nova Scotia, especially in Kings county.

Mr. REID: It may possibly be. There may be some person doing a thing of that kind, but I would hardly think that in the time of war any man would be guilty of such a thing.

Mr. PUGSLEY: That is what astonishes the people, because they say that when their boys go to the front they are not asked whether they are Liberals or Conservatives.

Mr. REID: Horses are being purchased in Canada by the Canadian Government, the British Government, and I think by the French Government. It is true they did buy a lot of horses, and perhaps are buying them now, in the United States, but I think the British Government, for a time after the outbreak of war, were anxious to get as many horses as they could from the United States, fearing that the United States Government might place an embargo on horses. They have been buying here, and, from information I have, I believe they will take all the horses we have in Canada that are suitable for war purposes. The information I have received within the last few days, is, that all horses suitable for war purposes will be taken either by the Canadian Government, the British Government, or the French Government. The hon. gentleman referred to shipping the horses from United States ports. I should say that probably 80,000 or 100,000 horses have been shipped by Canadian ports. It is true they did ship a good many during the winter months by the United States. It was just before the foot and mouth disease broke out on the other side of the line, and it was considered very serious to allow the horses to come through the states in which an embargo had been placed on cattle. There was a time when horses were diverted to the United States, but we did our best to get over that and we succeeded in making an arrangement with the railway companies to have the cars disinfected at the border and brought in through Canada, so that the horses might be shipped through Canadian ports.

Mr. PUGSLEY: How is it that the shipment of Canadian horses through the port of St. John was suddenly discontinued two or three months ago? The question of the foot and mouth disease would not affect that. I was in Boston not long ago, and I read in the newspapers that in one week four steamers left the port of Boston largely filled with Canadian horses. When the shipment of horses was started at St. John, a great deal of credit was given by my hon. friend the Minister of Marine and Fisheries (Mr. Hazen) in the Conservative papers for the favour that he was bestowing upon the port of St. John, for having the shipments of horses go through that port. Suddenly the shipments stopped through the port of St. John. Why have the shipments of Canadian horses through the port of St. John been stopped, and why have Canadian horses been shipped through United States ports?

Mr. REID: I have not heard of any Canadian horses being shipped through American ports, although my hon. friend the Minister of Militia and Defence (Major General Hughes) and General Benson would know more about that.

Mr. PUGSLEY: The Boston papers announced it.

Mr. REID: They may have.

Mr. PUGSLEY: Does the minister know that Canadian horses have been shipped through Canadian ports to England during the past two or three months?

Mr. REID: For the British Government?

Mr. PUGSLEY: For the British Government?

Mr. REID: There were two difficulties in connection with the shipment of horses through St. John and Halifax. During the last two or three months there has been great difficulty in getting tonnage from either St. John or Halifax. We could not ship oats, hay, or other products from Canada for that reason, and we sent a special representative over to the old country to try to arrange for tonnage. I think the Prime Minister stated in the

House a few days ago that that representative had arranged for two or three vessels a week, or otherwise we could not get anything away from our ports. The hon. member knows that all winter we have been shipping all the oats and hay we could via St. John. General Benson had difficulty in shipping horses from St. John, but he could get tonnage via the United States, and that is the reason why he shipped them that way. There was also some question about the difference in time between shipping from Montreal and shipping from New York or Boston.

Mr. PUGSLEY: What about St. John?

Mr. REID: The tonnage could not be got, and it takes eight or ten hours longer to ship that way. In the cold winter months that length of time would affect the horses on the cars.

Mr. PUGSLEY: General Benson ought to be reprimanded by this Government. I understood that he, or some one acting under him, stated on the train that St. John or Halifax, particularly St. John, was not a suitable port from which to ship horses and live stock, and that therefore it was better to go to Boston. That is the rumour. I am afraid the hon. minister has not been quite frank with us to-night. First he told us that he did not know of Canadian horses having been shipped through American ports. Now he proceeds to tell us the reason why horses could not be shipped through Canadian ports, namely, the difficulty of getting tonnage. That is not the explanation given by that official. As regards St. John particularly, it was explained that, by reason of the rise and fall of the tide, it was not a suitable place from which to ship horses, and we were informed a few weeks before the shipments stopped that they were going to stop. A little bit of reasoning with the British officer would have informed him and clearly convinced him that there was no better port in America from which to ship horses or cattle than the port of St. John. The rise and fall of the tide adds to the convenience of shipping live stock, because they can be walked aboard the steamer without having to be lowered in slings into the holds of the vessels, as is the case in ports where there is no such rise and fall of the tide. This officer did not seem to be aware of that fact, and I think it is due to the people of this country that some explanation should be given by the minister of the reason why Canadian horses during the greater part of this winter have been shipped through American instead of Canadian ports. The country is going very properly to a large expense in equipping Canadian ports so that we may have traffic through them to as large an extent as possible both in summer and in winter. To me, as representing the city of St. John, it was a matter of great disappointment when I learned that a reflection had been cast upon our port, and that thereafter horses for Great Britain were to be shipped through American ports. Some explanation should be given to the committee and to the country as to why that has happened.

Mr. REID: The hon. gentleman states that he saw that statement in some newspaper. I can hardly credit the accuracy of the report. General Benson was born in Canada and has lived here most of his life. He is interested in Canada and is anxious to do everything he can in the interests of Canada. I know General Benson's views, and I am satisfied that he wants to ship everything from St. John or Halifax.

Mr. PUGSLEY: Could the minister tell us what number of Canadian horses have been purchased in Canada for the British Government, and how many have been shipped from Canada during the last five or six months, and through what ports they have been shipped? I may be mistaken, but I was informed by a gentleman in whose word I have confidence that what I have stated was the case.

Mr. REID: If we are on the Estimates of Agriculture to-morrow, I will have that information. I had some information from General Benson; but I would not like to give the figures to-night, because I might be mistaken. I think the hon. member will be greatly surprised at the large number of horses that have been shipped through Canadian ports. If he will let the matter stand, I will promise to have the information, if possible to-morrow, and if not to-morrow, on Tuesday, by which time I can communicate with General Benson.

Mr. ROBB: In connection with the number of horses purchased in Canada, a question of importance to Canadian horse buyers and breeders arises. In Montreal, all last fall an extensive buyer was importing wild, range horses from the south-western States, and perhaps the same thing went on in St. John. He would bring in 500 horses, fifty of which might die in Montreal and fifty of which would not

pass inspection. The people are curious to know how the Customs Department handled those 100 horses that were missing; and how they cleared the bonds on 500 horses going out. In all parts of the country, people will point to a horse that has been bought very cheaply, and they will say. This is the Yankee horse that was refused in Montreal. I am sure the minister will be just as much interested as any one in getting at the bottom of that business. The Government was suspicious of this method of doing business, and at one time it stopped the importation and sale of those horses altogether. Maybe, that prohibition is still on. At the very time those horses were being imported, we were told that they were dying of pink-eye in Montreal. At the time that they were coming through in bond and being inspected in Montreal, there was an embargo on horse trading between Canada and the United States. This worked so harshly against Canadian farmers that the farmers along the boundary who sold cream across the line were compelled to hitch up a team of their own horses, haul the cream to the line, get it across the line the best way they could, and there hitch on another team of horses and go to the creamery, and then bring back the wagon and the empty cans to the boundary line and hitch on their own team again. The minister will have something to explain to the Canadian farmers as to that method of doing business, because there was not a little dissatisfaction as to those horses coming in. Yesterday I met a horse buyer, a good Conservative and a good horse dealer, who sold quite a number of horses last fall to those who were buying remounts, and he said to me very frankly: The only place I can sell horses now is in the United States; They are going into Massachusetts and Maine. I was not curious enough to ask why they were going into Maine, but the statement of the hon. member for St. John City (Mr. Pugsley) explains: they were going to Boston and Portland to be shipped.

Mr. EDWARDS: From what part of the United States did those horses come that were brought into Montreal?

Mr. ROBB: They were range horses coming from points like St. Louis, Mo. They were altogether unsuitable for farm horses, and I understood that in Montreal they had a man who halter-broke and saddle-broke them.

Mr. EDWARDS: Were they suitable for remounts?

Mr. ROBB: They were purchased for remounts.

Mr. EDWARDS: It is strange that horses of that kind should be brought in here for sale at the same time that horses were going from here to the United States to be sold for remounts.

Mr. ROBB: Yet it is absolutely correct. The statement was made by a supporter of the hon. gentleman.

Mr. REID: The hon. member (Mr. Robb) is referring to horses purchased by General Benson or members of his staff for the British Government. No horses were purchased by any one in the United States for the Canadian Government. Some horses purchased by General Benson and his staff were brought to Toronto and Montreal for shipment through Canada to Great Britain.

Mr. ROBB: This was at a time when the farmers were prohibited from crossing the line with their horses.

Mr. REID: The horses bought by General Benson and his staff were brought to Toronto and Montreal and taken to the stockyards, and probably broken as the hon. member stated. It would be a very serious matter for our railroads and for the ports of Halifax and St. John if we had prohibited these horses from passing through Canada. I think the hon. gentleman will agree that the Government were acting rightly in allowing these horses to go through Canada.

Mr. ROBB: How about the farmers crossing with their horses?

Mr. REID: I was coming to that point. I remember a case and probably this will answer the hon. member. A shipment of horses, about five or six hundred, came into Toronto. They were from Kentucky, Illinois or some neighbouring state. They were brought there to be sold and shipped through in bond. When the inspectors in Toronto inspected them they rejected about sixty or a hundred horses. The question came up before me at the time. The parties who had the horses wanted to know if they would have to pay duty on them or whether they would be allowed to re-export them. Some of these horses were kept here and on these they paid duty. On any that were sent back to the United States no duty was collected. What was done in Toronto, I suppose would apply to Montreal.

The hon. member mentioned about farmers having to drive to the line and there change horses. Then that embargo was placed on horses on account of the foot and mouth disease, the orders of the Customs Department were issued accordingly to prevent it as the hon. gentleman has stated. That came up before me at the instance of those who lived near the boundary lines, and so far as the Customs and also the Department of Agriculture were concerned, as soon as it was called to attention provision was made for driving backwards and forwards without difficulty. I do not know whether people in the hon. gentleman's locality brought it to attention or not, but where the matter was called to attention the necessary provision was made.

Mr. CARVELL: My county is on the boundary, and when the effect of this embargo was brought before the minister the matter was regulated without delay. The present Minister of Customs (Mr. Reid) was also acting Minister of Agriculture at the time. An arrangement was made by which a person in New Brunswick who wished to drive into the state of Maine was allowed to do so, but was not allowed to put his horse into a stable—I think that was the provision; however, the difficulty was overcome. I never could understand why it was necessary to prevent the exportation of our horses to the United States. I know that it is because the war is on and the British Empire may possibly require these horses. But, from the very beginning the British Government were buying horses in the United States for the very same purpose for which we were holding them in Canada. It certainly works injustice in some places. Take my own county, for instance. I received a letter from a person representing General Benson, I suppose, asking if there were horses for sale in my part of the country. I replied, giving the names of many people who had horses for sale, including one firm of railway contractors that had thirty or forty horses stored in my town. They were perhaps heavy for remounts, but they would be splendid horses for artillery purposes. But nobody came to look at them, and I believe that not more than three or four horses were sold for these purposes from the whole St. John valley, which is the greatest horse-producing portion of the maritime provinces. The hon. member for Kings, N.S. (Mr. A. De Witt Foster), was not there; his activities were confined to Nova Scotia. I quite realize the ground on which the Order in Council was based, but I never could understand its desirability. Has not the minister made up his mind that it was not well advised, and might it not be rescinded?

Mr. REID: The Order in Council was passed at the request of the British Government. I do not think it was ill-advised. I feel that we shall require all the horses that are in Canada. While the Order in Council may be a hardship to some who have horses to sell, in the end, I am confident, they will suffer no loss, because there is going to be a demand that will take every horse in Canada.

Mr. CARVELL: I could mention politicians, supporters of the Government, in Carleton county, supporters of the Government who will buy horses quite as well as the hon. member for Kings, N.S., but I would not give them carte blanche, as the hon. member was given.

Mr. DOUGLAS: I should like to get also the number of Canadian remounts bought by General Benson and his staff in the province of Alberta. Thousands of horses can be bought in the province of Alberta to-day for military purposes at prices around $100 each. The Canadian Remount Commission are advertising in certain places for the purchase of horses, but the experience is that they pick up ten or fifteen horses at some important centre, Edmonton, for instance, where thousands of horses could be obtained. In the northern section of the province of Alberta large numbers of horses could be supplied for military purposes, and there is no possibility of selling them.

Mr. W. H. SHARPE: I have a very serious complaint to make about this horse-buying business; I was rather under the impression that we should bring this matter up when the Minister of Militia is present.

Mr. REID: That is just what I was going to say. The purchase of horses really comes under the Militia Department.

Mr. SHARPE: The Minister of Militia is the man I was waiting for.

Mr. PUGSLEY: What is the use of having a Minister of Agriculture in the Government if he does not look after the interests of the farmers? That is what he is in the Government for.

Mr. REID: I really think the Minister of Militia is the man who should answer

these questions. I may say to the hon. member for Strathcona that I do not see how I can get the information from General Benson, but I shall be glad to get it if I can. So far as the purchase of horses is concerned, although I feel that that is a matter which comes under the Militia Department, I will try to give that information when the Agriculture Estimates come up again.

Mr. TOBIN: So far as my county is concerned, I have a complaint to make to the Department of Agriculture, in respect to horses. There is a gentleman in my county, a horse-buyer who ships quite a number of horses to the United States, and he asked me if there was such an Order in Council passed as that to which reference has been made. He wanted to ship some horses to the United States, and he pointed out that this Order in Council would be a hardship on the farmers. He said that the Militia Department had advertised to buy horses in the county on a certain date and that upon that date the farmers brought their horses in for sale, but nobody showed up to purchase. Subsequently the representatives of the department came to buy horses, when nobody knew they were coming. After receiving this information I put the following question on the Order Paper:

Has an Order in Council been passed prohibiting the sale and export to the United States of Canadian-bred horses from four to eleven years old? If so, when was such Order in Council passed?

The answer given by the Acting Minister of Agriculture was as follows:

An Order in Council was passed on August 7, 1914, which prohibits exports to any place other than the United Kingdom or any British possession of "saddle, draught and pack animals, suitable for use in war."

I should like to ask the minister whether this Order in Council compels people trading in horses to sell them to the Militia Department? Many horses which are bred in the Eastern Townships would bring from $300 to $500 if sent to the United States. A farmer who has a fine driver does not wish to sell it for $175 or $180 to the War Department. Would the hon. minister give me some information concerning this regulation?

Mr. REID: I have explained that this embargo was requested by the British Government. Horses may be sold in Canada to other persons than agents of the Militia Department as a matter of course. If any person in the country represented by the hon. gentleman has a valuable horse that he wishes to sell or to export to the United States, all he has to do is to advise the Customs Department that he has for sale a horse that is not suitable for military purposes, being, perhaps, too valuable; and the Department of Agriculture will have one of its officers examine the animal to ascertain whether or not it is suitable for military purposes. The British Government are only too anxious to get all the horses they possibly can. If upon examination it is found that it is too valuable to be purchased for use by the Militia Department, the Customs Department will not prevent the exportation of the horse to the United States. When it was arranged that we should take up the Estimates to-night, I thought that we would go into Committee at about half-past nine. I did not intend to ask the Committee to sit later than eleven or eleven-thirty. If there is no objection, I suggest that we take up the vote for patent records. It is the same vote as last year; I suggest that we pass this item to-night; any discussion which may be desired upon this or any other item may be taken up when the Estimates come up again.

Patent records, $30,000.

Mr. BOIVIN: Can the hon. minister who is representing the Minister of Agriculture give us any information in connection with the patent for shield and shovel which was obtained from the Department of Agriculture by a young lady, Miss MacAdam, I think? The hon. minister has already given me an answer to this question, but it is incomplete. That patent was obtained on August 17, 1914. I understand that a rush order was put through for that patent, over the heads of a great many other patents which were pending. Can the acting minister tell us, first, who was the inventor of the shovel? Was it the young lady herself, or did she obtain the patent for some other person? Second, who was it that asked that this rush order be put through? The answer given me on February 25 states that one of the reasons for the rush order was that the invention was required for use in connection with the war.

I cannot understand why it was absolutely necessary for this particular patented article to be used for military purposes. I should think that the Government would have a right to use it for military purposes even if it was not patented.

Mr. REID: Then you would have to pay a royalty.

Mr. PUGSLEY: Not for military purposes, the Act is express in that.

Mr. BOIVIN: I understand that there is a clause in the Patent Act which says that no royalty need be paid and whether a royalty was paid is a question that could be better answered by the Minister of Militia. I would be anxious to find out exactly why a rush order was put through, at whose request and who is the inventor of the shovel and shield in question.

Mr. REID: Was not that information given in the answer?

Mr. BOIVIN: The patentee was given but not the inventor.

Mr. REID: I could not give the hon. gentleman any further information than has been brought down. The application was made by the party named on the form necessary to obtain a patent. Whatever that form required was filled in by the party applying for the patent.

Mr. BOIVIN: That form must be in the department.

Mr. REID: Unless I was given notice I would not have the information before me.

Mr. PUGSLEY: The deputy minister would have it.

Mr. REID: He could not remember.

Mr. PUGSLEY: He would remember this, it was a special matter, patenting a hole in a shovel. It is a pretty special sort of patent.

Mr. REID: The hon. member has asked me for considerable information with reference to that patent. As I have stated, if he will let the rest of the discussion stand until our Estimates come up again I shall be in a better position to give information.

Mr. PUGSLEY: I have no doubt the deputy minister could give the information.

Mr. BOIVIN: In the answer given on the 25th of February it is said that the request for the rush order was given by the Deputy Minister of Agriculture to the examiner of patents. The deputy minister must certainly remember something.

Mr. REID: The hon. member will understand that if any patent was applied for that would help the Militia Department in connection with the war it would hardly be necessary to ask the deputy minister to rush it through because he would do so in the public interest.

Mr. CARVELL: If the Government wanted to use this article for purposes of war it would not matter whether it was patented or not, and if the party afterwards got a patent it would be only a question of fixing the royalty and paying it. The question of whether the Militia Department wished to use the article or not plays no part in the matter. There must be some other reason.

Mr. REID: I think the hon. member could argue in the opposite way if necessary. Supposing a person had an article that the Militia Department wished to use, it would not be only fair that the Department should help to get the article patented so long as it would not cost the Militia Department any royalty, for the reason that some one else might obtain a patent on the article.

Mr. CARVELL: It does not make any difference, because the Militia Department have the right to use the article, patent or no patent.

Mr. EDWARDS: I cannot see the line of argument of hon. gentlemen opposite. A certain article is invented by some person to be used for war purposes, and some one else desires to get a patent on the article. What is the objection to his getting a patent?

Mr. CARVELL: None whatever.

Mr. EDWARDS: The hon. gentleman seems to argue that there is something wrong in getting the patent, so far as the Militia Department is concerned. That does not cut any figure because they can use it anyway; but other countries could not use it and any one interested in the article, for that person's own protection, might desire to get a patent in order to dispose of it to some other country. If it was to be used for war purposes, what was wrong about having the patent take precedence of others?

Mr. CARVELL: The hon. member for Frontenac is a good lawyer for a layman. Probably he does not remember that the mere fact that the Militia Department used this or any other article would not affect the right of the party to obtain a patent so long as it had not been on sale for more than a year in Canada or any other country prior to making the application. So that argument falls to the ground.

Mr. PROULX: Is the minister sure there will not be any claim made by Miss MacAdam for the royalty?

Mr. REID: That has been stated by the Minister of Militia.

Mr. PUGSLEY: One thing might be cleared up in regard to the matter; there is a great deal of doubt as to whether Miss MacAdam was the inventor of the patented article in question. She could not have got the patent unless she either swore she was the inventor or produced an assignment from the inventor.

Mr. REID: She swore she was the inventor, and that is all the department could ask.

Mr. PUGSLEY: Could the minister, as a member of the Government dealing with this patent, tell me whether or not officials of the department thought that that particular invention was patentable? Was there a special order of the minister that the patent should issue?

Mr. REID: There was no special order of the minister, it was all done by the deputy minister. The minister knew nothing about the patent; it never came before him at all.

Mr. CARVELL: What was the reason that the deputy minister made the order?

Mr. REID: I have stated that these orders are given from time to time. This is not a special case. It is a practice of the department to give special orders.

Mr. PUGSLEY: Was there anything about the patented article which required that it should be manufactured in the United States which necessitated the giving of an order immediately for 25,000 of these shovels with the hole in them, the patented shovel, to the Midvale Company in the United States, or could they have been manufactured in Canada?

Mr. REID: I think it is hardly fair for the hon. member to press that question against me. All the Department of Agriculture has to do is to see that the departmental regulations regarding patents are observed.

Mr. CARVELL: Perhaps I can come to the rescue of the minister. A clause of our Patent Act, I think section 44, provides that the applicant upon application may be granted the privilege, under certain conditions, of not manufacturing in Canada. That is what is called the license clause. It was very important that this article should be manufactured at that particular moment.

Mr. J. J. HUGHES: What object had Miss MacAdam in rushing the application for the patent, if she was not going to get a royalty on the article?

Mr. REID: If my hon. friend asks Miss MacAdam, he may get that information.

Mr. BOIVIN: Can the minister tell us whether this shovel had been patented in the United States prior to the patent being granted here, or whether it has ever been patented in the United States?

Mr. REID: I could not answer that question. I am informed by the deputy minister that, so far as the examiner could find, the article had not been patented in any country except Canada. I cannot give positive information on that point.

Mr. BOIVIN: Just a moment ago I understood the minister to advise the hon. member for Kings, P.E.I., to go to the Militia Department and inquire for Miss MacAdam.

Mr. REID: I said Miss MacAdam was an employee of the Militia Department, and the only one who could give the information he asked for. I stated where she could be found.

Mr. BOIVIN: What position does she occupy in the department?

Mr. REID: I could not say. She is a permanent employee, and the Civil Service list gives her position.

Mr. E. W. TOBIN (Richmond & Wolfe): Some time ago I forwarded to the Department of Agriculture a petition signed by a number of the farmers of the township of Cleveland, in my county, which reads as follows:

The petition of the undersigned rate-payers and voters of the county of Richmond humbly represents:

That, on the second day of August, 1914, a most severe and disastrous hail-storm passed over our farms and ruined our grain crop;

That it is important that next year the farmers of this country should raise much more grain than ever before, on account of the war reducing the production and increasing the consumption of grains.

That your petitioners, in many cases, will be unable to do this on account of the high prices of seed grain.

That assistance by way of grants of seed grain in being tendered to the farmers of the province of Saskatchewan;

Now, therefore, we your petitioners, humbly request you to use your best efforts with our Governments, Federal and Provincial, to obtain for us a grant of seed grain to replace what we lost in said hail storm.

And you will do justice.

Signed at the said county of Richmond, this month of January, one thousand nine hundred and fifteen.

Adrien Thibeault.

This is signed by 75 or 80 farmers living in the township. The petition was forwarded to the Minister of Agriculture, who sent me the following letter, dated February 9:

Dear sir,—I have your letter of the 2nd inst., enclosing a petition signed by Mr. Adrien Thibeault and others in the township of Cleveland, in the county of Richmond, praying that the Government supply them with seed grain for the loss they sustained in a storm which passed over that township last summer, and I note that you strongly endorse the same.

In reply I may say that the Honourable the Minister of the Interior is attending to the question of supplying seed grain in the West and I do not know that anything outside of the province of Alberta and Saskatchewan is contemplated. However, I am sending your letter on to the Honourable Dr. Roche for consideration.

Yours faithfully,
(Sgd.) M. Burrell.

It was very little satisfaction for the farmers of the county of Richmond to be told that the petition would be referred to the Department of the Interior. Some of those farmers are in very poor circumstances, and as the Department of Agriculture is at the present time sending gentlemen all through the country urging the farmers to greater production, it was not much comfort for those farmers who suffered great loss by the hailstorm, to be told that the petition was being forwarded to the Department of the Interior. I had this very nice letter from Hon. Mr. Roche, dated February 15:

12 midnight.

My dear sir,—Your communication under date of the 2nd addressed to the Hon. Martin Burrell with petition signed by a number of persons in the township of Cleveland, county of Richmond, province of Quebec, praying to be supplied with seed grain, has been forwarded here.

In reply I beg to say that we are not having any distribution of seed grain in the provinces that own their natural resources. This is a provincial matter and although we have had applications from British Columbia, Ontario, and this one from Quebec we have referred them to their respective provincial Governments for assistance. We are only granting aid in the drouth stricken areas of Saskatchewan and Alberta to farmers who were deprived of their entire crops last year, and other such adjacent districts that have suffered from drouth and the farmers of which are in a similar position, the provincial governments promising to pass legislation to give our liens a priority over existing mortgages.

Yours faithfully,
W. J. Roche.

E. W. Tobin, Esq., M.P.,
House of Commons,
Ottawa.

[Mr. Tobin.]

Mr. EDWARDS: What has that to do with patents?

Mr. TOBIN: Have you been sleeping? I will send for the Minister of Justice to take care of you.

Mr. EDWARDS: I think the hon. member is talking in his sleep. He is talking about something quite irrelevent to the item under discussion.

Mr. TOBIN: I think the hon. member—

Mr. EDWARDS: I rise to a point of order. I say the hon. member is not discussing the item before the House.

The CHAIRMAN (Mr. W. H. Bennett): As I understood it, a general discussion was to be allowed on the item.

Mr. EDWARDS: Oh, that must have been previous to my coming in. It is all right then.

Mr. TOBIN: The Minister of the Interior said in that letter that grain is not being distributed in those provinces which own their natural resources. I do not see why it should make any difference where the farmers live, whether in the province of Quebec or in the West, so long as damage has been done to their crops, whether by drouth or by hail. I might read part of a letter that I received from a gentleman who forwarded me this petition:

He also feels positive that it is very important that these genuine sufferers should be aided this year, especially when there is such great need for over-production by the farmers. The Agricultural Bureau, which you assisted to establish here, is conducting a campaign of "patriotism and bigger production" and something in the line of aid with seed grain will show by practical demonstration that the Government wants the farmers to do something to aid the Empire, while aiding themselves. The best assets our country can have is prosperous farmers and they cannot be prosperous the year after they have lost their crop of grain, unless they can get assistance with seed grain. You may safely tell the Minister of Agriculture that a short visit to the scene of this storm would have convinced him that there was need of aid to the sufferers. The West should not get all the favours.

Mr. CARVELL: Who signed that letter?

Mr. TOBIN: Mr. F. C. Duboyce, notary public, Richmond, Quebec. Would the acting Minister of Agriculture grant the request of these petitioners and send one of his men down to investigate, and if he finds that the case is a deserving one, will he give them some help?

Mr. DAVIDSON: I observe that the petitioners request the hon. gentleman not only

to approach this Government, but also to approach the Government of Quebec. Would he tell the committee the result of his application to the Government at Quebec in this connection?

Mr. TOBIN: This petition was sent to me at Ottawa, and my first duty as representing the county of Richmond is to approach the Government here. I am a member of the House of Commons, and as such I am bringing this matter to the attention of this Government. The case of the farmers of Cleveland township is a just one. The Government are holding meetings throughout the country and urging farmers to produce more in order to help the Empire in this hour of trial. In helping these farmers they will not only be rendering a great service to the farmers themselves, but to the Empire as well. If the minister will send an agent from his department to Richmond, Mr. Duboyce, the notary public there, will arrange to have him taken out to the township of Cleveland.

Mr. DAVIDSON: Would my hon. friend inform me as to the date of the petition?

Mr. TOBIN: The second of February. It was addressed to the House of Commons, at Ottawa.

Mr. DAVIDSON: I understand the hon. gentleman has not approached the Quebec Government in reference to the matter.

Mr. TOBIN: In bringing this matter to the attention of the minister I am simply doing my duty to my electors.

Mr. DAVIDSON: I understand that the petitioners asked the hon. gentleman to approach both Governments.

Mr. TOBIN: I am not a member of the provincial house. I represent Richmond and Wolfe in the Dominion House. I would ask the Minister of Agriculture if he would be good enough to send a man from his department to investigate this claim which I have put forward on behalf of the farmers in the township of Cleveland. If he finds that the case as put forward is borne out by facts, will his department give help to these farmers and advance them seed grain in order to assist them in putting in their crops this spring?

Mr. REID: This is a matter that is being handled by the Department of the Interior, the reason being that the policy of assisting farmers in Alberta and Saskatchewan by the distribution of seed grain was started in years gone by and is simply being continued. We are furnishing seed grain to farmers who are on land which is still the property of the Dominion Government. It is true, as the Minister of the Interior stated the other day, that the department has gone a little farther in these western provinces, by granting aid to persons occupying patented lands. I am not as familiar with the facts as my hon. friend the Minister of the Interior is; he will be on with his estimates to-morrow and will probably be able to answer the hon. gentleman's question more fully. With reference to the request of the hon. member that I send a man down to investigate this condition in his constituency, let me say that the petition that has been addressed to him, asks him, as the representative of those who have signed it, as their public servant, to come to this Government and see whether he could get them to take up the question of giving them aid. But it goes farther; it asks him, as their representative, to go to the Quebec Government, if he does not succeed here, and request them to take cognizance of the difficulty they are in and to assist them in that locality. Having got a letter from my hon. friend the Minister of the Interior (Mr. Roche) stating what the policy of this Government is, I think my hon. friend for Richmond and Wolfe was a little lax in his duty, if he had not time to go to Quebec, in not writing to Quebec and urging the Government there to take the matter up, he having failed in his effort at Ottawa. Perhaps that might have resulted in securing the aid required. At all events, he would have been carrying out the request of the petitioners. It is not too late yet; if he writes now, to-night, or to-morrow, to the Government at Quebec, and if they will take it up and deal with it, as I believe they should, the difficulty may be overcome. If the farmers in Cleveland township are in the difficulties stated by him, it is the duty of the provincial government to send a representative at once and see that they are looked after and properly protected. Other provinces are in exactly the same position. We have had the same difficulty in Ontario. Hardly a year passes but a hail-storm or something else arises in certain parts of the province of Ontario, and people meet with disaster similar to that which has visited this part of the province of Quebec, and the representatives of the province of Ontario are told exactly the same thing, no matter what side of politics they are on. The same answer is given to them as that

which was given to the hon. member who has just taken his seat. The Ontario Government cheerfully and willingly helps those who have been affected in this way in the province of Ontario.

Mr. W. H. SHARPE: So they do in Manitoba.

Mr. REID: So they do in Manitoba and in the other provinces. This opens up a very large question. We are carrying out the policy adopted by previous governments of assisting homesteaders on land owned by the Government, and we are at the same time protecting ourselves, in so far as the expenditure is concerned. It has been the opinion of all governments that the older provinces are able to look after their people who are in difficulty.

Mr. CARVELL: The minister states that this policy was inaugurated some years ago by a former Government to assist those people in western Canada who were homesteaders and who did not own their farms. He is following that up by assisting, not only homesteaders, but people in the provinces of Alberta and Saskatchewan who own their land. On what principle does the minister assist a person in the province of Saskatchewan who owns his land, and whose crop has been hailed or who has lost his crop by drouth, and refuses to assist a person in the province of Quebec who owns his land and who has also been hailed out and has no seed grain?

Mr. REID: That question was discussed a few days ago by hon. members from the West, when the hon. member was present, and the Minister of the Interior answered that question and gave the reason why. In the West the homesteaders are all newcomers; they have just received their patents, and the number is small.

Mr. CARVELL: A few thousand.

Mr. REID: Not very many in that particular district. If the hon. member is here to-morrow, I would like him to ask the Minister of Interior for the reason. The matter comes under his department. I feel that I am not justified in speaking for the Minister of Agriculture on a matter of this kind, because I am only acting temporarily.

Mr. CARVELL: I will not press the matter further.

Mr. W. H. SHARPE: The provinces of Saskatchewan and Alberta passed laws giving the Government the prior right on mortgages in cases where it supplied seed grain.

Mr. CARVELL: They were asked to pass those laws. I have not heard that they have passed them.

Mr. SHARPE: Yes, they have passed them.

Mr. TOBIN: My first duty to my electors was to approach this Government, and I did so.

Mr. CARVELL: And you have not succeeded.

Mr. TOBIN: I do not know. The minister has not said " no " yet. I may say that I wrote to my colleague in the local House and he has a copy of the petition.

Mr. REID: How long ago is it since you wrote to him?

Mr. TOBIN: I did not mention any politics; I did not say that the people were Conservatives or Liberals. I am not speaking for the Liberals of the township of Cleveland alone, I am speaking for all the people who have lost their crops through the storms which passed over that township in August last.

Mr. REID: No one said that you mentioned any politics.

Mr. TOBIN: The hon. minister tried to make out a case against me.

Mr. REID: No.

Mr. TOBIN: The hon. minister said that in those provinces which he is helping, the land belongs to this Government. You must not compare the hardships of the earlier settlers in Ontario and Quebec who entered wooded land and had to clear it with the much happier position of the homesteaders on the western prairies, who simply had to plough the prairies and gather their crop. The pioneer settlers in the township of Cleveland had to go in there when there were no roads and no bridges, and they had to clear the land and spend $25 or $30 an acre in doing the work. They could not raise enough to keep them in those early days. They had to cut down the trees and burn and pull out the stumps. After doing all that work, they come to this Government for this assistance, and all the answer I get from the minister is that this Government does not owe anything to the people of Quebec. I am surprised that the hon. minister takes that stand. I hope the Hon. Walter Mitchell, who represents Richmond in the Provincial House, will have

more success with his Government than I have had with the Dominion Government.

Mr. EDWARDS: I am sure the hon. member has served the purpose for which he rose. He has represented his constituency and he has placed on Hansard his zeal in their behalf. If the principle he advocated were followed out by this Government, every man from one end of Canada to the other who met with any loss, for instance, if his barns were burned down, would have a claim on this Government for assistance.

The case of Quebec or Ontario is different from that of the western provinces. In the West there was a general drouth affecting large sections of the country and people who had been in that country only a comparatively short time were absolutely dependent upon one thing, namely, upon the crop in the ground, which on account of the drouth realized absolutely nothing. That is not the case in Ontario, Quebec, Nova Scotia or New Brunswick. In all those older provinces there is mixed farming and not simply the one crop of oats or wheat on which the farmers are absolutely and wholly dependent. If the hon. member wants to be fair, he will admit that. Is he prepared to say from his place in the House now that he would uphold this or any other Government in acceding to the request of farmers in the older provinces for assistance every time they lost their crops through drouth or hail or some other cause? The hon. member was presented with a petition from his constituents as representing that county asking him to do two things, namely, to do a certain thing so far as this Government was concerned, and to do another thing so far as the Quebec Government was concerned. What did he do? He got the petition on the 2nd of February making the two requests. He comes here and finds fault with this Government in very loud terms. He chastises this Government for lack of interest in the farmers of the province of Quebec. Every word he has said in censure of this Government can be applied to his own Government in the province of Quebec. His words of censure also reflect back upon himself, because he has carried out only a part of the request made by the petitioners, that is, to apply to this Government. His first duty was to apply to the Provincial Government. He left that to a later date, because it would not serve his purpose, which was to make the application here. He is better pleased because it has been refused, because it places him in a position of appearing before the people of the township as their champion and as a man ready to fight for their rights.

Mr. TOBIN: I do not think the hon. member is fair when he says my first duty was to write to the provincial government. I got that petition. There was a copy sent to the member for the county of Richmond in the provincial government, and I also wrote to him. What was I to do? Was it not my duty, representing the county of Richmond and Wolfe in this House, to address myself to this Government?

Mr. W. H. SHARPE: Have the provincial government decided to do anything?

Mr. TOBIN: I could not say. But when the hon. member for Frontenac (Mr. Edwards) says that I should have risen in this House and asked this Government, let me tell him that I have done so by letter to the Minister of Agriculture, and also by laying this matter before the House this evening. I did not mention any politics until the minister insinuated that this was a case of Liberals and Conservatives.

Mr. REID: I think the hon. gentleman misunderstood me.

Mr. TOBIN: I did not mean to refer to the minister. I speak of the hon. member for Frontenac. When he tells me that it was my duty to write to the provincial government, I say to my hon. friend that he is mistaken.

Mr. EDWARDS: Will the hon. gentleman allow me a question?

Mr. TOBIN: Certainly.

Mr. EDWARDS: Is not the representative of his county of the provincial House Provincial Treasurer of Quebec?

An hon. MEMBER: What has that to do with it?

Mr. EDWARDS: It has a great deal to do with it. The hon. member's colleague in the local legislature is a member of the provincial government. Surely, if he has any influence, he ought to be able to use it in a case like that. Yet he has apparently done nothing so far as his own province is concerned.

Mr. TOBIN: Here is a petition signed by seventy-five to eighty farmers from the township of Cleveland, the people who have sent me here, asking me to take this up with the minister and to help the farmers to get seed grain. Was I to answer these

petitioners that they had no business to write to me, but that they should write to the provincial member? I am not trying to make politics out of this. I do not know whether these petitioners are Liberals or Conservatives—I hope they are all Liberals. But I do not draw any distinction, because when I am elected it is my duty to represent all. It is on those grounds that I was elected, and on those grounds I hope to be elected again if I am a candidate.

Progress reported.

On motion of Hon. J. D. Reid, the House adjourned at 12.30 a.m. Friday.

Friday, March 19, 1915.

The House met at Three o'clock, the Speaker in the Chair.

REPORT.

Sixth annual report of the Board of Civil Service Commissioners.—Hon. Louis Coderre.

SENATE AND HOUSE OF COMMONS ACT AMENDMENT.

Mr. EDMOND PROULX (Prescott) moved for leave to introduce Bill No. 77, to amend the Senate and House of Commons Act. He said: This Bill is intended further to secure the independence of members of the Senate and House of Commons, and at the same time to safeguard the interests of the country. In these days of extensive purchases by the Government without public tender, I believe that the present legislation on this subject needs to be amended. As the law is at present, a member of this House or of the Senate is prevented from having any contract or business dealings with the Government, but he may be a shareholder in a company, and be largely interested in that company, which has the right to contract with the Government, except in the case of a company which undertakes to contract for a public building or other public work. By this Bill, I wish to add to the companies prevented from dealing with the government any company in which a member of this House or of the Senate is a director, or in which he holds, directly or indirectly, a controlling interest.

Motion agreed to, and Bill read the first time.

BANK ACT AMENDMENT.

LOANS FOR SEED GRAIN.

On motion of Hon. W. T. White (Minister of Finance), the House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Bank Act by permitting the chartered banks up to the 1st day of July, 1915, to lend money for the purchase of seed grain upon the security of the grain purchased, the crop to be grown therefrom, and the grain threshed from the crop, and that any Act founded on this resolution be deemed to have come into force on the 15th day of March, 1915.

Mr. WHITE: This resolution is almost self-explanatory. We propose to amend section 88 of the Bank Act by allowing a bank to lend money to the owner, tenant or occupier of land for the purchase of seed grain, upon the security of the crop to be grown from such seed grain. At present it is not open to the banks to take such security, and it was thought advisable, having regard to the desirability during this year of greatly increasing production and prevailing financial conditions, that the amendment should be made and this additional power given to the banks. Representations have been made to me for some time past with regard to this matter. I took it up with all the chartered banks in Canada, and while it appears perfectly clear from the replies which I have received from the banks that the general credit and standing of the borrower will still be a controlling factor in their determination of whether or not loans will be made, it would appear also that it may be an advantage to the borrowing community that this legislation should be enacted, as the banks would, I am convinced, be more ready to lend than if they were not permitted to take this security.

Mr. A. K. MACLEAN: The present provisions of the Act covered this—not so far, I admit, as lending on the seed grain itself, which would be no security; but after that seed grain is once sown and harvested, the present provisions of the Bank Act would enable a bank to make advances upon the security of that grain. I do not see how one can differentiate between general grain and grain grown from seed purchased by the Government.

Mr. WHITE: I think my hon. friend is correct in stating that once the crop is reaped and the grain harvested, if an agreement had been taken for a lien, it would probably be given effect to by the courts; but the section of the existing legislation to which I have referred does not cover the case of growing crops. As my hon. friend knows, growing crops are in a sense real estate and not personal property. We propose to give a lien analogous to the lien

which is given under legislation of certain of the provinces, in the West solely, so far as I am advised, by which legislation a lien may be given for advances made for the purchase of seed grain, upon the growing crop as well as upon its product when harvested and threshed.

Mr. BUCHANAN: Does the minister know whether the banks are prepared to avail themselves of this proposal if it is adopted?

Mr. SCHAFFNER: Do not worry about that.

Mr. WHITE: The banks must exercise their discretion in regard to all applications for loans. It is not open to a government to enact compulsory legislation unless the further step is taken of supplying the financial institutions with money. The banks have to loan out money which is placed on deposits with them by the public throughout the country. It is for them to exercise their discretion as to whether or not in particular cases they will or will not extend credit. Our object in introducing this legislation is to enable a bank to take a lien, the idea being that, being able to take this additional security, it would be more willing to lend in a case in which there might be some doubt as to whether the loan was a good one or not. I believe that this legislation will facilitate the extension of credit to the farmers for the purpose of purchasing seed grain.

Sir WILFRID LAURIER: I presume that this legislation is introduced in response to many requests which have come to my hon. friend chiefly from western farming communities. I am under the impression that this is not the first time that similar legislation has been requested. There have been many efforts on the part of farming communities to have the Bank Act amended in the way in which it is proposed to amend it temporarily. The question is not free from doubt as to whether or not such a departure from well-known banking principles will work satisfactorily. At all events, this legislation will serve as an experiment. I never could see why it could not be done. There are, of course, some conflicting principles. For instance, a moment ago my hon. friend said very properly that a standing crop is part of the realty. Under the present law of the province of Quebec, the crop would go to the purchaser of the soil. It is easy, however, by legislation to give a bank the necessary power to collect its lien. From time to time the banking law has been amended to advance credit further so as to enable men to get accommodation from the banks. This is another step in that direction. It is an experiment, and I hope and believe it will work out satisfactorily.

Mr. DOUGLAS: With one exception, I am quite in favour of the resolution as presented by the Minister of Finance. He brings it into effect only until the 1st of August, 1915. A provision of this character is of such value to the farming communities of western Canada in particular, that it should become a part of the Bank Act of Canada and should remain in force along with the other provisions of that Act.

Mr. WHITE: I think my right hon. friend has put the matter very fairly in saying that such legislation has not in the past at least, been regarded as being free from doubt, and that this amendment is in the nature of an experiment. From the experiment which we shall make with this, we shall be in a better position to judge as to the advisability of adopting the suggestion put forward by my hon. friend. In the past, either this question specifically—or questions analogous to it—as to the security which may be taken by banks from their customers, has been very much discussed in the House and in the Banking and Commerce Committee. In the past one consideration as against legislation of this kind has had great weight with the House; that is, that the banker's lien is a secret lien, and one reason why Parliament has not been willing to permit banks to lend upon chattel security or to extend the list of securities upon which banks may lend money, has been that other creditors, who would not be aware of the existence of the lien, might be prejudiced, and that parties who had themselves taken a lien might find themselves cut out by a secret lien taken previously to their encumbrance, without notice on their part. Therefore the question is not entirely free from difficulty; but for the present year, and having regard to the exceptional situation which prevails, we think we may well enact this legislation, which, by the way, we intend shall date back to March 15, 1915. I notified the banks on the introduction of this resolution in order that any steps that they might take, immediately between March 15 and the date of the passage of this Bill, would be authorized and legalized by this legislation.

Mr. BUCHANAN: I agree somewhat with the remarks of the hon. member for Strath-

cona (Mr. Douglas) in this respect. This is not compulsory upon the banks, but it gives them the right to do this, if they want to do so. If it were extended and made a feature of the Bank Act, it would rest with the banks as to whether they would make the advances or not. I think there is something to be said in favour of making it a permanent feature of the Act.

I would like to point out to the minister something which has relation to the condition in my own district, and which applied not only to seed grain, but to feed for live stock. I think that in the recent amendments to the Bank Act provision was made whereby banks may lend money on the security of live stock. In my district great difficulty is experienced in securing feed for live stock. The Government is providing feed for work horses and some other farm animals, but I have received a great many complaints to the effect that the farmers are not in a position to borrow money from the banks to secure feed which will carry them through till harvest time. The owner of a large number of cattle or hogs or sheep who cannot get assistance from the Government is in the position that he cannot get assistance from the banks. He cannot get feed on credit, and he is forced to dispose of his live stock at a great sacrifice. I think that the banks should go out of their way to assist any farmers who have difficulties in that respect and of whose credit they are satisfied. I am led to believe, however, that the banks, without considering the credit of the farmer or the stock raiser, simply take the view that they will not lend money—and they are not lending it. Consequently, mixed farming in my section of the country is suffering severely by reason of the action of the banks in this respect. My criticism does not apply to all banks, because I know that some of the banks are treating the farmers fairly liberally in this respect. A great many of them, however, are not, and the result is that the farmers are losing their live stock. Although the banks may not avail themselves of any provision which may be made to obviate this difficulty, I would be glad if the Minister of Finance would urge upon them the desirability of their being more liberal in their treatment of the farmers, thus enabling the farmers to retain their live stock which they have purchased in recent years and which during the last season many of them have been forced to sacrifice on account of lack of feed. I received a communication this morning stating that the policy of the department was largely confined to providing feed for work horses in order that the crop should be put in this spring. I am told that the supplying of feed does not apply to milch cows; it is needless to say that it would be a serious matter for the farmers to have to sacrifice their milch cows at this time. Conditions are so critical that the farmer may lose many of their animals by being obliged to dispose of them at very small prices.

Mr. PUGSLEY: Any provision which would enable the farmers to obtain credit certainly ought to commend itself to this committee. But I think in considering this measure one ought to bear in mind that the farmer would benefit by being enabled to get credit from storekeepers and from the people with whom he is accustomed to deal and from whom he is in the habit of getting his supplies. That brings up the consideration as to whether they or these bankers' liens should be secret. I do not believe that a banker's lien upon lumber or upon any other article ought to be a secret lien. If the banker takes a lien upon grain and upon the products of grain, I do not see why that lien should not be filed in the local registry office, so that everybody who chooses to make inquiry would be able to find out just what liens exist against a man who may be getting credit from the storekeeper or from any other person. By extending the banker's lien and still providing that it shall be secret, you hamper the farmers in getting credit from the persons with whom they have business transactions and the dealers from whom they may desire to purchase. Can my hon. friend suggest any reason why a banker's lien should be secret? If a man borrows from a private individual and gives a bill of sale, that bill of sale must be filed in the registry office. If he buys machinery on a vendor's lien or a lien note, that lien note must be filed in the registry office. That is the law; why should the banks be singled out for exceptional legislation and be allowed to make secret agreements? When the debtor finds himself unable to meet all his obligations, the banks may get in first and sweep away everything which the man has, leaving the other creditors absolutely without remedy or relief.

Mr. WHITE: My hon. friend has put forth very cogently the reasons which have usually been given in the House, in connection with the decennial revision of the

Bank Act, why the bankers' lien under section 88 of the existing legislation, should not be extended. The matter to which he refers was given very careful consideration by the Banking and Commerce Committee at the last revision, and was also discussed to some extent in the House. It was shown to the satisfaction of the committee that on account of the vast number of transactions, running up to a great number every day, which take place in this connection, it is inexpedient that the liens taken upon merchandise generally and lumber, to which my hon. friend particularly referred, should be registered. It was also shown to the satisfaction, I think, of the committee, that no disadvantage resulted to the community as a whole by reason of the existing legislation. Both the committee and the House were unwilling, however, to extend the principle of secret lien so as to enable the banks to take, let us say, chattel mortgages—mortgages upon all kinds of chattel property.

My hon. friend has said that he thinks it advisable that these liens should be registered, and there is much to be said for that view. But he will recognize that if a provision were made for registration, machinery would have to be created whereby the liens could be registered. The one great difficulty in the way at present is that in the province of Quebec such a thing as a chattel mortgage is not known; it is prohibited by law. There is in that province no provincial organization such as exists in the province of Ontario, let us say—and, I believe, in almost all the other provinces—whereby a mortgage, as we call it in Ontario, of that character, can be conveniently registered upon the payment of a small fee. It would be necessary, therefore, in connection with this measure which I am now introducing, if we decided that these liens should be registered, to create machinery in the province of Quebec for that purpose. A proposal of this kind would have to receive very careful and somewhat prolonged consideration. My hon. friend is not in disagreement with myself as to this. He evidently has in his mind that the farming community may be prejudiced in obtaining credit from storekeepers and others by reason of the possible existence of a lien in favour of the banks. There is also this view: that storekeepers and other creditors might be prejudiced by the existence of a secret lien of which they had no knowledge. That is the reason why Parliament in the past has not been willing to agree to the extension of the secret lien.

The seed grain situation this year is exceptional, because there appears without doubt to be a serious shortage of seed grain, especially in the West. The Government is doing what it can. I think we appropriated some $7,000,000 or $8,000,000 for the purpose of making advances to the farmers of the West in order to enable them to procure seed grain, which action is necessarily limited to those areas of the country which have been drouth-stricken because, speaking generally, when you deal with those who have patented their lands, as opposed to those who have not yet secured patents, who are the wards of the Government in a sense, any action of this character should be provincial rather than Dominion. If the Dominion assumed the task of financing any class of the community its action would have to be Dominion wide, from the Atlantic to the Pacific, and I think it is common ground to both this Government and the Government which preceded it, as is shown clearly by the correspondence of 1908 with relation to seed grain advances, that once land is patented, prima facie, the duty of assisting those who had the patented lands devolves upon the provincial government. However, this has been an exceptional year, as was 1908; and the Government, as I have stated, decided to make very large advances to assist those in the drouth-stricken district to purchase seed grain. In order to carry out the suggestion of the hon. member for St. John (Mr. Pugsley) to provide for the registration of these liens, much more consideration would be required than we are able to give to it this year or than the House would be able to give to it; and as the measure is temporary and as my right hon. friend has said in the nature of an experiment, and as it may be demonstrated by experience that this legislation may safely be made permanent, I think the Government are quite justified in introducing this measure to meet the exceptional situation which prevails.

Mr. GERMAN: The minister stated that this suggestion as to the registration of the liens had passed Parliament and the committee of Parliament when the Banking Act was up for discussion, to the satisfaction of Parliament and the committee. It probably did pass to the satisfaction of the majority of the House and the majority of the committee, but not with the unanimous sanction of Parliament or the committee, because it was pretty seriously discussed then and is a serious problem as was stated by the hon. member for St. John. The min-

ister says that no machinery exists or could be made to exist at the present time. It appears to me it would be the easiest thing in the world to devise machinery for the registration of these liens, that they could be registered with the clerk of the county court in each county and have a fee of 10 cents paid to the registrar or clerk of the court. Then every one would have notice that the bank did not have a lien. I for one think that the bank has altogether too much advantage over ordinary creditors throughout the country. They have the best of it all the way through.

Mr. WHITE: The banks have not asked for this legislation.

Mr. GERMAN: Certainly not.

Mr. WHITE: I am not introducing it at the instance of the banks, but at the instance of those who think it would facilitate the extension of credit in the West.

Mr. GERMAN: Quite so, but my hon. friend is failing to put in a clause providing for the registration of the lien at the instance of the bank. The banks do not want the lien registered, but it should be registered.

Resolution reported, read the first and the second time and agreed to.

Hon. W. T. WHITE thereupon moved for leave to introduce Bill No. 78, to amend the Bank Act.

Motion agreed to, and Bill read the first time.

WAR SUPPLIES—COMMITTEE OF COUNCIL.

On the Orders of the Day being called:

Mr. MACDONALD: A few days ago I asked whether any Order in Council had been made providing for the appointment of a Committee of Council to deal with militia or war expenditures.

Sir ROBERT BORDEN: Is the hon. gentleman alluding to orders from the British and foreign Governments or to expenditures by the Canadian Government?

Mr. MACDONALD: Either or both, whichever the right hon. gentleman would give me information about.

Sir ROBERT BORDEN: There has been a sub-Committee of Council, not appointed in any formal way, in each case. They bring in their reports to Council, and anything that is done is the work of Council as a whole, after the committee make their report, which is a very common mode of procedure.

Sir WILFRID LAURIER: A committee composed of whom?

Sir ROBERT BORDEN: I really could not say from memory. It is quite a large committee. I will get that information.

Mr. MACDONALD: The right hon. gentleman promised to give me the information.

Sir ROBERT BORDEN: I am bringing it down now. My hon. friend asked whether or not an Order in Council had been passed. I made inquiry and found that there was no Order in Council; but if it is desired that information should be given as to who were the members of the Committee of Council, I will get that; in fact, I have already given directions. It has not at all times been composed of the same ministers, as different members of Council have been added to it from time to time.

Mr. MACDONALD: Was a separate committee appointed for the purpose of dealing with expenses made by the Canadian Government in connection with the war?

Sir ROBERT BORDEN: I am not sure whether that would be done by the same committee or not, but it is my recollection that the committee was composed in the same way. I can ascertain about that.

Sir WILFRID LAURIER: I notice by an answer that was given yesterday that certain purchases were made in the absence of the Minister of Militia. I presume these expenditures were made upon the report of that committee?

Sir ROBERT BORDEN: That would not necessarily follow. In the absence of the Minister of Militia, the matter would be taken up by the acting minister.

INSURANCE COMPANIES—EXTENSIONS OF TIME.

On motion of Hon. C. J. Doherty (Minister of Justice), the House went into Committee to consider the following proposed resolution:

That it is expedient to provide that any insurance company whose power to apply for a license under the provisions of the Insurance Act, 1910, will expire before the end of the next session of Parliament, may obtain an extension of such power until the end of the next session of Parliament, by filing a notice in prescribed form with the Superintendent of Insurance, and paying a fee of one hundred dollars.

Mr. DOHERTY: Insurance companies, which, under section 78 of the Insurance Act of 1910, are subjected to forfeiture of their charters unless they obtain a license within a period of two years after the granting of the charter, will by this Act be allowed, under certain conditions, to obtain an extension of that time. It was considered that under the existing circumstances there would probably be, or at all events there might possibly be, a fairly large number of companies whose two-year term would expire between now and the next session of Parliament and who, under existing conditions, would find it impossible or at all events very difficult to initiate their business before the expiry of the time limit. In fact, a certain number of applications have already been made and private Bills passed. It was also thought desirable to avoid passing the considerable number of private Bills that might have been presented by reason of these conditions, and we are in consequence making this extension general, subject to the condition that the companies must advance reasons why the time should be extended, and further that their time limit expires between now and the next session of Parliament. This Act will make it possible for companies filling that condition to obtain an extension of time, by filing a notice with the Superintendent of Insurance within two months after the passing of this Act.

Mr. NESBITT: This Bill, when passed, will not change the Acts under which these companies received their charters ?

Mr. DOHERTY: It will simply enable them to get an extension of that period of two years. Everything else will remain the same.

Mr. GERMAN: Why should they have to pay a fee of $100 if not in default ?

Mr. DOHERTY: We are doing something for them that in the ordinary course of events would have to be done by the passing of a private Bill, and the passing of a private Bill would cost more than $100. If it is proper that fees should be paid for private legislation, it seemed to us not improper that these companies should pay something—and I understand that $100 is less than what they would have to pay for a private Bill—for obtaining relief by this exceptional method.

Mr. GERMAN: It will not be necessary for them to obtain a private Bill ? This fee covers the whole thing ?

Mr. DOHERTY: Upon application, accompanied by this fee, the extension will be granted until the expiry of the next session of Parliament.

Mr. GERMAN: Then they would have to get a private Bill ?

Mr. DOHERTY: If they wanted a further extension, but it may be doubted whether Parliament would grant a further extension to those companies that did not initiate their business before the end of the next session of Parliament. We are saving them from the difficulty that might be incurred between now and the next session of Parliament.

Mr. MACDONALD: How many companies would this apply to ?

Mr. DOHERTY: I am not in a position to know how many companies will, between now and the next session of Parliament, have reached their time limit of two years from the date of their charter; but the Act will make it possible for all those companies to obtain an extension, provided they make application within two months of the passing of this Bill.

Mr. MACDONALD: What has been the practice in the past with regard to a new charter?

Mr. DOHERTY: I do not know of an instance where a measure precisely of this character has been considered necessary or desirable, but as I said at the outset we believed, and that belief has been justified by a certain number of communications which have been received, that at the present session of Parliament we should have numerous applications of this kind; and one of the reasons that moved us in introducing this Bill was to relieve Parliament at this session of the necessity of dealing with possibly a very large number of such applications. In addition to that, there was reason to believe, in fact we had reason to know from a number of communiactions received, that the present condition might make it difficult for companies to initiate their business within the prescribed time, although those companies might ultimately be in a position to start up in their business. Our principal object in bringing in this Bill was to enable us to deal by one measure with what we had reason to believe, and what I still believe, would have been a large number of applications for extensions, which in the past Parliament has made no great difficulty about granting.

Mr. MACDONALD : The effect of this measure is very wide. If the argument of my hon. friend holds good, there is no reason why the Government should not at any session of Parliament introduce legislation extending any railway charter, for instance, that might expire between two sessions of Parliament. That would be handing over to the Government the functions of this Parliament. It is this Parliament which grants the charters and whose function it is to determine whether that charter shall be renewed. My hon. friend is introducing a rather serious principle when he asks Parliament to abrogate its functions entirely, and to give up the right of scrutiny which the people's representatives here have in regard to all questions affecting the status of companies applying for charters, such as, whether their operations are bona fide, and all the other matters which Parliament ought to determine. If, as the minister says, this legislation is without precedent, it is a very important transgression upon the right of Parliament to deal with these matters. It means the transference from Parliament to the Government of important functions which hitherto have been vested solely in Parliament. Perhaps I may be wrong in my apprehension as to the effect of the measure, but I would judge, from what the minister says, that I am correct.

Mr. DOHERTY: Parliament is not being asked to part with its power, save to a very limited extent, indeed. If this particular action is not justified by the exceptional circumstances, then I do not know that it would be justified at all. Parliament has, in view of the existing circumstances, confided to the Government very much wider and more important powers than the power that is involved in this resolution. It is a purely transitory measure. In two months from the date that the Bill is sanctioned, it will be absolutely without effect. It is only to meet a passing condition, and I think the hon. gentleman is unduly apprehensive in anticipating any serious consequences to be attached to it as involving any renunciation of any principle or the abandonment by Parliament of any of its powers.

Mr. MACDONALD: With all due deference to my hon. friend, I fail to appreciate the force of his argument. Because Parliament has conveyed to the Government certain exceptional rights which they are supposed to exercise, and has given them power to deal with conditions which are exceptional and which arise on account of the war, I fail to see a justification of the proposition, that, having given certain powers to railway and other companies possessing federal charters, these powers to be exercised within a certain period of time, we are to abandon altogether our right to scrutinize the actions of these companies and relinquish that power to the Government. It is not any condition resulting from the war that gives rise to this legislation. Why should not all these people whose charters were about to expire this year have given notice of their intention to apply to this House for an extension of time, and why should Parliament not have been asked to deal with this question in one case as well as in the other?

Mr. DOHERTY: I have put forward the reasons that I have to give to justify this legislation. I have endeavoured to be as clear as I could, and I have nothing further to add to what I have already said. If my reasons do not carry conviction to the mind of my hon. friend, I can only express my regrets.

Mr. MACDONALD: Do I understand that the minister declines, or is unable, to tell us why these companies should not have given notice in the regular way?

Mr. DOHERTY: I have endeavoured to give the reasons. I have given all the reasons I have. I think they are satisfactory reasons but the hon. gentleman thinks they are not satisfactory.

Mr. MACDONALD: I did not hear my hon. friend give any answer to the question I am asking him now.

Mr. DOHERTY: I do not know why they could not have done it, and I do not suppose they could not have done it. It would have been possible to do it. That is so obvious that I would have thought the hon. member would have known it without my telling him, but what I was pointing out was that we had reason to believe, and we did believe, tnat, owing to present conditions, a large number of these applications were exceedingly probable. There was a general desire that the business of this session should, as far as possible, be confined to matters arising out of the present condition of war. It was also desired that the session should not be unduly prolonged in attending to matters of this kind. Under these circumstances it was thought a proper thing to ask Parliament to confide to the Government of the day this power to be exercised during this limited period of two months. These are all the

reasons I have to give. I cannot say why it was impossible for these companies to give notice and come to this House. I do not suggest that it was, and therefore I have no reason to offer in support of any suggestion that it was impossible. It is for the House to say whether the reasons I have advanced, as forming the ground upon which this legislation is before the House, are sufficient but they do not imply that it was impossible to give notice.

Mr. MACDONALD: Then I understand the minister to say that he bases this legislation, which means the abnegation by Parliament of its rights, on the conditions created by the war? If my hon. friend puts it on that ground it is entirely different from the other ground.

Mr. DOHERTY: I suppose everybody will determine for himself what are the causes of the existing conditions.

Resolution reported, read the first and the second time, and agreed to.

Mr. DOHERTY thereupon moved for leave to introduce Bill No. 79, 4 p.m. to authorize certain extensions of time to insurance companies.

Motion agreed to, and Bill read the first time.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Royal Northwest Mounted Police, $1,406,691.

Sir ROBERT BORDEN: There is a very substantial increase in this amount, due to the increase in the force which has been authorized by Parliament.

Sir WILFRID LAURIER: How many men are there in the force now?

Sir ROBERT BORDEN: The following statement will give my right hon. friend the full details:

Strength and Distribution of the Force, December, 1914.

	Officers.	N.C.O.'S.	Constables and Special Constables.	Total.
Alberta	21	90	326	437
Saskatchewan	35	136	566	737
Northwest Territories	1	6	8	15
Yukon Territory	4	12	37	53
New Manitoba	3	4	19	26
Total	64	248	956	1,268

	Divisional Posts.	Detachments.
Alberta	5	97
Saskatchewan	4	101
Yukon Territory	1	10
Northwest Territories	..	5
New Manitoba	1	7
Total	11	220

The force in Saskatchewan includes the "Reserve" Division of 150 men stationed at Regina, the most central point, ready to take the field at a moment's notice in any direction required.

Sir WILFRID LAURIER: Are the police continuing the patrol of the northern waters?

Sir ROBERT BORDEN: Yes, the same as in previous years. The controller informs me that the men who have been added to the force within the past year are of very good type. They have been very apt in learning their training and discipline and they are very effective members of the force.

Mr. A. K. MACLEAN: Are these additions to be permanent, or are they due to the war?

Sir ROBERT BORDEN: We thought it desirable to add to the force, but in view of the situation the usual time of enlistment was reduced, and the men have been enlisted for one year.

Sir WILFRID LAURIER: Have any new arrangements been made with the Governments of Alberta and Saskatchewan with regard to the force?

Sir ROBERT BORDEN: Yes, and no. There has been correspondence of a confidential character with the Governments of Saskatchewan and Alberta which I shall be very glad to submit to my right hon. friend. In Saskatchewan matters stand precisely where they were under the arrangement made some years ago; and so far as I can gather it is the proposal of the Government of that province to have their own provincial police force. The same communications which were made to the Government of Saskatchewan were made to the Government of Alberta, but there has been a more extended correspondence with the Government of the latter province, the result of which is that I am confident we shall come to a satisfactory arrangement with the province of Alberta for the continuance of the force. The terms which were recommended to me by the controller and by the commissioner had my approval, and just two days ago we had what I think may be regarded as the

final reply of the Government of Alberta. That reply is of such a character that I think an agreement will be reached. As to Saskatchewan, I do not think there is any prospect of such an arrangement. We have not had any suggestion that the Saskatchewan Government would be inclined to have the arrangement continued. So far as Alberta was concerned, it was largely a question of the length of time for which the Alberta Government would be prepared to enter into an arrangement. We could not very well go to certain necessary expenditure in that province except for a fairly reasonable term. We represented that condition to the Premier of Alberta, who received it in a very reasonable way and apparently saw the force of it. The letter which I have just received from him will, I think, result in an arrangement which will be satisfactory to both Governments.

Pensions, $106,869.57.

Mr. A. K. MACLEAN: Are we paying any pensions on account of the South African war? If so, what is the amount?

Sir ROBERT BORDEN: I really could not give my hon. friend the information.

Mr. MACLEAN: I suppose some pensions are being paid on account of that war?

Sir ROBERT BORDEN: I suppose so. I am not sure.

Special allowance to Sir Charles Fitzpatrick to cover expenses in connection with the Judicial Committee of the Privy Council, $2,500.

Mr. PROULX: How many trips to London does the Chief Justice make each year?

Sir ROBERT BORDEN: He usually goes twice, so far as my memory serves me.

To assist in the suppression of the white slave traffic, $10,000.

Mr. PROULX: An officer was appointed some two years ago—Mr. Lambkin—in connection with this matter. I understand that he is not now engaged in this work. Has he been replaced.

Sir ROBERT BORDEN: This money is expended under the direction of Col. Sherwood, Commissioner of Dominion Police. Mr. Lambkin was employed in the work for a time, I think, but he is not engaged in it at present.

Salaries and expenses of the Paris agency, $28,000.

Sir ROBERT BORDEN: This is the same as last year. I only desire to say in connection with this vote that Mr. Roy has rendered very efficient and diligent service to this country and to the interests of the Empire generally during the past eight months.

Sir WILFRID LAURIER: Hear, hear.

Allowance to Mr. W. J. Stewart, chief hydrographer, for services performed under Order in Council of the 19th October, 1912, in relation to the questions under consideration by the International Joint Commission during the year 1915-1916, $1,000.

Sir ROBERT BORDEN: I gave a full explanation with regard to this on a previous occasion. We are voting this amount from year to year for the reason that the duration of the treaty under which these questions are considered is uncertain; it was made for a limited period. We do not know at the moment whether it is desirable or necessary to make a permanent arrangement; therefore we think that in the meantime this temporary arrangement, which has proved remarkably efficient, had better be continued.

Amount required to meet expenses of the technical board appointed to consider questions relating to the level of the Lake of the Woods, $10,000.

Sir WILFRID LAURIER: What progress has been made with this work?

Sir ROBERT BORDEN: The latest information that I have with regard to it is that expert examination was being made of the levels with a view to having a report made, if I remember correctly, to each section of the commission. I do not think that that expert examination has yet been completed. However, I shall be glad to let this stand.

Sir WILFRID LAURIER: Oh, no; I wanted to know if any progress had been made. This is a very important work.

Sir ROBERT BORDEN: It is an important work, and I think it will take a good deal of time to complete. It is very proper that the House should be made acquainted with the exact position of the work. If my hon. friend will permit it to pass, I will take occasion to inform the House at a later date as to the precise situation of the matter.

Grant towards the erection of a monument to Samuel de Champlain at Orillia, Ont—revote of a lapsed amount, $7,500.

Mr. GERMAN: Why is that being erected at Orillia?

Sir ROBERT BORDEN: I believe Orillia is one of the spots noted in the explorations of M. de Champlain. At least it is so represented to us, and I believe there is historical ground for the belief.

Mr. PROULX: Did he not land on Nepean point here before landing there?

Sir ROBERT BORDEN: We have a statue on Nepean point.

Mr. A. K. MACLEAN: While this is not a good year to suggest expenditure, especially if one has urged retrenchment on the Government, I do think that at some time in the near future we should take into consideration the matter of the erection of a monument to the historian Parkman, who is really Canada's leading historian.

Mr. CASGRAIN: Oh, no, we cannot admit that Parkman is Canada's greatest historian.

Mr. MACLEAN: The greatest historian of Canada, I shall put it.

Mr. CASGRAIN: No.

Mr. MACLEAN: That is my judgment, and I think it would be the opinion of Canadians generally. I think it quite appropriate that some recognition should be given this noted historian by the erection in these grounds of a monument to him.

Sir ROBERT BORDEN: As my hon. friend has very well said, this is hardly the time to take these matters into consideration; but at some future session we would be very glad to have him express his views at some length and to consider his suggestion.

Sir WILFRID LAURIER: The International Committee for the Centennial Celebration of peace between Canada and the United States has in contemplation a project by which the commission will undertake to have a statute erected to Parkman in the Ottawa Government grounds, a statue of Queen Victoria erected in Washington, and a statue of Lincoln in London. Thus I think the wishes of my hon. friend will be gratified. The Postmaster General has in his mind that my hon. friend has forgotten Garneau.

Grant to Medical Council of Canada, $15,000.

Mr. PUGSLEY: What is that for?

Sir ROBERT BORDEN: There is a medical council for the whole of Canada constituted in accordance with legislation passed by this Parliament which could not become effective until assented to by all the provinces. After some time it was assented to by all the provinces. This grant was made some time ago when the council was first constituted, and it has been continued. It is for the purpose of meeting in part the expenses which the council has undertaken in connection with the carrying out of examinations and other necessary arrangement for the purpose of enabling medical practitioners entitled to practise in one province to practise in any other province in Canada.

Mr. PUGSLEY: Without singling out any one item of these miscellaneous items, I would point out that they run up to over $1,000,000. I think there is scarcely an item there that might not very well stand over until another year or until the war is over and conditions in Canada have bettered. It seems entirely unjustifiable to be taxing the people by special taxes and at the same time to be voting money for objects which really are not urgent and might very well be allowed to stand. I make that general remark with reference to a great many items contained in these miscellaneous appropriations. It is all very well to vote them when the country is prosperous and in times of abundant revenue, but in these times I really think the Government ought to have gone over the miscellaneous items and have cut out several hundreds of thousands of dollars.

Sir ROBERT BORDEN: My right hon. friend will observe that whereas last year the amount was $1,013,000, this year the total is only $763,600. He will also notice many imperatively necessary items. For instance, there is $78,000 for the Canada Gazette; $2,000 for the distribution of Parliamentary documents; $100,000 for miscellaneous printing; $2,000 for expenses under the Canada Temperance Act; $20,000 for expenses under the Naturalization Act; $10,000 to assist in suppression of the white slave traffic; $28,000 salaries and expenses of the Paris agency and so on. Thus the total I have mentioned includes a great many necessary items.

Mr. PUGSLEY: Take, for example, the British Columbia Better Terms Commission. Nothing was done last year, and I would think that we need not go on with the inquiry this year.

Sir ROBERT BORDEN: I did not propose to take that up to-day, but I think that when I do take it up I shall be able to show my hon. friend that he is under a great misapprehension when he says that nothing was done last year.

However, I do not desire to discuss it now.

Mr. PUGSLEY: I have not seen any report.

Sir ROBERT BORDEN: There is no report, because the work has not been done.

Mr. PROULX: Does the Dominion Medical Council report to the Government?

Sir ROBERT BORDEN: I really could not tell my hon. friend. I will obtain the information and let him know.

Mr. PROULX: I believe that the candidates who present themselves for examination are charged a fee of $100. I think the council could collect enough money to carry on its business without receiving assistance from this Government.

Sir ROBERT BORDEN: Would my hon. friend like the item to stand?

Mr. PROULX: Yes.

Item stands.

Royal Academy of Arts, $5,000.

Mr. PUGSLEY: What is that for, and where is the society situated?

Sir ROBERT BORDEN: I remember that a delegation from the society saw me with regard to obtaining a grant. Would my hon. friend like this to stand?

Mr. PUGSLEY: I think that, at this session especially, some reason should be given why sums of money are being granted to societies.

Sir ROBERT BORDEN: A reason ought to be given for everything. We will let the item stand. I have the information, but I cannot recall it at the moment.

Item stands.

Grant towards the erection of a monument at Lacolle Mill, Que., for the heroes of 1812-14 —revote, $1,000.

Mr. PUGSLEY: What is the explanation of that?

Sir ROBERT BORDEN: I think the explanation is apparent on the face.

Sir WILFRID LAURIER: I think this is just part of the general plan for erecting monuments to the heroes of 1812.

Mr. PUGSLEY: It is a very small amount to vote for a monument, if there should be a monument at all. This item is very different from the amount of money that has been spent on erecting monuments all over the country to commemorate Champlain. If a monument is to be erected to the heroes of 1812, I consider one thousand dollars a small amount.

Sir ROBERT BORDEN: Smaller grants have been made in different parts of the country. One grant was made for a memorial on Chrysler's Farm; I saw it myself.

Marine and Fisheries—Ocean and River Service—maintenance and repairs to Dominion steamers and ice-breakers, $1,125,000.

Mr. PROULX: How many dredges are working in the river St. Lawrence?

Mr. HAZEN: This vote is to make provision for the maintenance and operation of the Ship Channel Dredging Fleet, as well as general additions to the machinery and plant. In answer to my hon. friend, I may say that we have eight elevator dredges with tugs, at $45,000 each, or $360,000 altogether; two new self-propelling steel elevator dredges with tugs; one hydraulic dredge with two tugs; two suction hopper dredges; two self-propelling hopper barges; two dipper dredges with tugs; three inspection and sweeping tugs; three stone lifters and floating shop, and one rock cutter.

Sir WILFRID LAURIER: Does this include the whole channel, above and below Quebec?

Mr. HAZEN: From Montreal to the sea.

Sir WILFRID LAURIER: There was an accident last year near Father Point. Was it due to the state of the river or to some fault on the part of the ship?

Mr. HAZEN: The state of the river had absolutely nothing to do with the accident.

Mr. GERMAN: Did the minister ever consider whether it would not be cheaper to have this work done by contract? I have always considered, and think now, that it would be far cheaper for the Government to have this work done by contract, providing the tenders were properly called for and properly let, and the contractors held up to their contracts, as they should be. I feel sure that would be a cheaper method than having the work done by the Government, because it is a well-known fact that the Government dredges do not do in a day more than half the work that is done by contractors under their terms of contract.

Mr. HAZEN: That has not been our experience so far as the work on the ship channel is concerned. The work is being done under the same system as when I

became minister. The work is in charge of Superintendent V. W. Forneret, C.E.

I can give my hon. friend some figures as to the cost. The work is carried on by these dredges owned by the Government and supplies in the way of food, etc., are furnished by contracts entered into with different people. The repair work is done at the ship yard at Sorel. The figures as to cost with reference to the different dredges which I shall mention, include repairs and everything else, with the exception of the charge for interest on capital outlay. First, taking the dredge Labelle, we find that the cost of removing stone and gravel was $1.21 a yard; dredge Laurier, working in clay, shale rock and hard pan, 26 cents; dredge Lady Minto, clay, 19 cents; Baldwin, 19 cents; Israel Tarte, shale rock, 32 cents, and Galveston, 8 cents. The average cost of removing material in the way we are doing is considerably less than if the work were done by tender and contract as suggested by my hon. friend.

Mr. PUGSLEY: Does the department keep any account of the extra cost based upon interest and depreciation of plant? Is there no estimate made of that?

Mr. HAZEN: I do not think that we have any statement made up to date, but it is an easy thing to get at. We know what the plant has cost and, allowing interest on the cost, we have found it considerably less than if we were to ask for tenders. Apart from that there is the advantage of having the work done under one uniform system and with one superintendent having control of the whole work. The work is very important and very good results are being obtained from it. I am disposed to think that it is a better system than if we asked for tenders for different parts of the work.

Sir WILFRID LAURIER: Can my hon. friend give us any information as to the actual condition of the channel between Montreal and Quebec? What is the average depth and width?

Mr. HAZEN: The work between Montreal and Quebec is progressing very satisfactorily. In all places there is a depth of 30 feet, and work is now going on to extend the depth to 35 feet. The channel is being widened and straightened by degrees. The aim is to widen it to 500 feet. We started at 200 feet, it has been widened to 300 feet, and we propose to extend it to a uniform width of 500 feet with a uniform depth of 35 feet, and to make the channel straighter. This is necessary on account of the larger ships that are now coming up to Montreal. The work is proceeding satisfactorily. In some places the channel is down to a depth of 30 feet, although it will take some time before the work is entirely completed. There was an inquiry made in regard to the lowering of the water in consequence of this deepening of the channel, and a commission was appointed a year or two ago composed of Dr. Haskell, dean of the engineering faculty of Cornell university, Mr. Stewart, superintendent of the ship channel, and Mr. Stewart, chief of the hydrographic survey. These gentlemen have made their report, which report was laid on the table of the House a day or two ago. There was an apprehension that it would be necessary to put in reclamation works that would cost an enormous sum of money, but that has been dissipated entirely by the report. The report says that there has been a lowering in the harbour of Montreal of 2 feet 7 inches, that about two or three inches is due to the diversion of water through the Chicago drainage canal from lake Michigan and that the balance is due to the work on the St. Lawrence channel and particularly due to the removal of obstructions at St. Mary's rapids a little below Montreal. The effect of the removal of the obstructions has been to allow the water to run out with more freedom and cause a lowering of something over two feet in the water in the harbour of Montreal. Below that point the lowering has not been nearly so great. The report shows how, in carrying on the ordinary work for the improvement of the channel each year, dams can be constructed at a point below Montreal, where the river runs into lake St. Peter, by placing there the spoil that is taken from the river. In this way the level of the water can be raised and it is estimated that the total cost of this work will not exceed $400,000. Perhaps it will be a little over $400,000. The work can be done as the ordinary work of deepening the channel proceeds. I think the report is calculated to remove apprehensions from the minds of those who thought that the work going on in the St. Lawrence river was going to do a great deal of injury in the way of making very low water in the harbour of Montreal and above that point. The work is proceeding under the same system from year to year.

5 p.m.

We had hoped to have the entire northern channel below the city of Quebec, which will be a much safer channel for navigation

after it is improved than the one on the south side of the river, finished by April. Last year we entered into a contract with the Canadian Vickers Limited of Montreal for the construction of a most modern dredge that would have facilitated that work. The work on the construction of the dredge was commenced, but unfortunately for reasons connected with the war, the work has had to be put to one side for the preseent. The delivery of the dredge will be delayed for probably a year, but that is something that is not under the control of the department.

Sir WILFRID LAURIER: Have you commenced the work of dredging the northern channel?

Mr. HAZEN: Yes, we are working on it now and we have made considerable progress but with the dredges we have my recollection is that it will take perhaps six or seven years to complete the work. With this modern dredge about which I have spoken we could have had the work completed in less than half that time.

Sir WILFRID LAURIER: In regard to the channel between Montreal and Quebec, I understand that the report of the commission to which my hon. friend has referred suggests that the refuse which is taken from the river should be placed between the islands at the entrance to lake St. Peter?

Mr. HAZEN: That is it.

Sir WILFRID LAURIER: Would that have any effect upon the flooding of that part of the country which is very low?

Mr. HAZEN: When the work is finished it will have no effect on the flooding.

Mr. GERMAN: If you put a dam in the river to raise the level of the water at Montreal, you will have to build a dyke.

Mr. HAZEN: There is no need for a dyke.

Mr. PUGSLEY: They are what are called wing dams.

Mr. HAZEN: Something of that sort.

Mr. GERMAN: The minister should ascertain from his engineers just what work is necessary to deepen the river between Montreal and Quebec, and then advertise for tenders and let the work by contract. In that way he would get the work done more expeditiously and more satisfactorily. The work has been dragging on for twelve or fifteen years—I do not know that this Government is any more to blame than the former Government—and it ought to have been finished long ago. This is an important work to the shipping interests and the Government have a lot of dredges of their own, working eight hours a day ostensibly, but really not working more than six and not working very rapidly even at that, so that you are getting practically nothing done. This work will drag out till doomsday.

Mr. HAZEN: It is not fair to say we are getting nothing done. Until comparratively few years ago the channel between Montreal and Quebec was only fourteen feet deep. Finally we got an average of thirty feet, and it is now found that thirty feet is not sufficient for the large steamers plying to Montreal. The channel has to be deepened to thirty-five feet and it has also been found necessary to widen and straighten it so as to make navigation safer. I believe the work is proceeding as satisfactorily as possible. It may be that even when we get the channel thirty-five feet deep and 500 feet wide, in the future it will require further deepening and widening to accommodate larger steamers. So far as I am capable of judging, I think the work has been carried on well, and there is a uniformity about it which would not be possible if we were to award it to different contractors year after year. We have a competent man at the head, in Mr. Forneret, who understands the conditions and is there year after year. I believe we get a more satisfactory return for the money we spend than we could in any other way.

Mr. LAW: My experience is that the Government dredges we have had in the harbour of Yarmouth have not done the work as satisfactorily or as expeditiously as the work could be done under tender and contract. The Government dredges do not work the number of hours that the private dredges do, and they do not seem to do the work so well. I must say that because I have had some experience. Taking it altogether, I believe that the Government could let the work by contract and save money.

Mr. COPP: Do you find that this channel fills up and that the work has to be done year after year?

Mr. HAZEN: No. Every year when navigation opens we sweep the channel, because it was found once or twice that boulders

lodged in the channel during the winter. We have no trouble from the ordinary filling in with silt.

Mr. LAW: What does this dredging cost per cubic yard?

Mr. HAZEN: I have the returns here dredge by dredge, and it costs from five cents per cubic yard up to seventy cents per cubic yard. It depends upon the nature of the material. In places where there is a heavy rise and fall of tide, or where dredges cannot work steadily because of rough weather, the cost would be greater than in the St. Lawrence, where there is not that difficulty to contend with. Then there are certain modern dredges that will do more work in the same time than dredges of an earlier date. The average cost for 1914 was 14·75 cents per cubic yard, but that does not include a charge for interest on the cost of the machinery.

Mr. LAW: Neither depreciation nor interest?

Mr. HAZEN: No, but it includes the cost of all repairs. The dredges are kept in the very best state of repair.

Mr. LAW: These figures would hardly be a fair criterion to show the cost of the dredging to the country.

Mr. HAZEN: Every winter these dredges are overhauled at Sorel and put in the best possible condition, and the cost of these repairs is included in the average I have given.

Mr. LAW: Some of these dredges must cost quite a lot of money, and to get a fair estimate of what the ultimate cost of the dredging is, the interest should be charged.

Mr. HAZEN: That is quite true.

Marine and Fisheries—to provide for construction and completion of dredging plant for river St. Lawrence from Montreal to Father Point, $871,000.

Mr. HAZEN: There is a portion of this that we shall not be called upon to pay this year, because the work will not be completed upon the self-propelling elevator dredge which was to have been delivered to us by the close of this season. I do not believe we shall get delivery of it until the close of 1916.

Mr. PUGSLEY: How much has been expended?

Mr. HAZEN: The amount put in for the dredge is $500,000, of which I do not believe that more than 50 per cent will be expended.

Mr. PUGSLEY: About $250,000 will not be required. Why not reduce the item by that amount?

Mr. HAZEN: The war may end very suddenly, and there is always a chance that more progress may be made than we expect at the present time. This is the amount that was voted by Parliament last year for the work. We thought it advisable to leave it in for that reason.

Mr. PUGSLEY: The Minister of Finance has made items like this an excuse for the extra taxes. I believe there are millions of dollars just like this $250,000 which will not be required. My hon. friend will see how much better it would be if this item were left out. I do not single this out especially, but it is on a par with many other items.

Mr. GERMAN: The whole amount might very well be omitted.

Mr. HAZEN: The whole amount cannot be omitted. We expended in 1913-14, $695,613.

Mr. GERMAN: Has the dredge been started yet?

Mr. HAZEN: It is under way.

Mr. PUGSLEY: Is the work suspended now?

Mr. HAZEN: Yes, for reasons which I cannot explain. The House will understand.

New ice-breaker for river St. Lawrence, $500,000.

Mr. PUGSLEY: Is that a revote?

Mr. HAZEN: Yes. A great deal of progress has been made on this vessel. But for the war it would have been delivered to us at the opening of the season. It is expected by the people in charge of the work that the vessel will be ready for us, if not at the close of this season, then by the opening of next season. The vessel is being built by Canadian Vickers, Ltd., of Montreal, that firm being the lowest tenderer.

Mr. MACDONALD: Has the Earl Grey been formally disposed of to the Russian Government?

Mr. HAZEN: The Earl Grey was sold to the Russian Government for £100,000, or about $491,000. It went to Archangel on the White sea, for the purpose of keeping that harbour open for the Russians during the winter season.

Mr. MACDONALD: Has the minister arranged to get a new ice-breaker in place of the Earl Grey?

Mr. HAZEN: We are getting this new ice-breaker built, which will be of much greater power, and which will be an ice-breaker alone. It will not be used for any other purpose. It was found by the department to have an ice-breaker that does ice-breaking at certain seasons and other work during other portions of the year, is not good business, as the vessel will consume a tremendous amount of coal to have the necessary power. With the putting on of the car ferry across the Northumberland strait from Cape Tormentine on the mainland to Cape Traverse on the island, and the railway travel going by that means, there would not be much use for the Earl Grey on the route on which it was in the past. We think we shall not require to order another ice-breaker, with the two others that we have on the island route during the winter, and that we shall be able to get on very well until this new ice-breaker is completed.

Lighthouse and coast service—agencies, rents and contingencies, $150,000.

Sir WILFRID LAURIER: What is the increase of $15,000?

Mr. HAZEN: It is due to the annual increases in the salaries of agents and clerks in the various agencies, authorized by the schedule established in April, 1911. While those clerks are not in the inside service, there was adopted a schedule of salaries for the different positions, so that they could get certain annual increases just as do the clerks in the inside service. There were additions to the staffs of some of the agencies owing to increased work and extended premises. This is a summary of the proposed expenditure: Nova Scotia, including subagencies at Sydney and Pictou, $30,800; New Brunswick, $13,150; Prince Edward Island, $8,850; Quebec, $36,450; Montreal, $13,300; Ontario, $3,200; Parry Sound, $5,100; Kenora subagency, $700; Fort William, $1,800; Victoria, including Prince Rupert, $22,800; contingencies, etc., $13,850; total, $150,000. The Fort William agency is a new one. We used to make arrangements in different ways for the work there, but that plan cost practically as much and was not as satisfactory as having an agency of our own. Therefore, we established an agency there. We have also had some additions in connection with the agency at Prince Rupert in consequence of the development of that portion of the Pacific coast.

Mr. GERMAN: Has the minister decided finally and unalterably to construct the new signal service at Point Abine, about which he has had a considerable amount of correspondence, so as to wind up that little ball of yarn at once?

Mr. HAZEN: I have had considerable communication with different gentlemen on this subject. Steamers coming from Buffalo pass by that point, and the Government of the United States asked us to construct a fog alarm there, which we agreed to do. Opposition to its construction was offered by a number of summer residents in the locality, who had the impression that they would be disturbed by the sound of the fog alarm. During the season when the summer residents are there, however, there is very little fog on the lakes, and they would suffer very little inconvenience in that respect. Having lived in St. John much of my life, I have become rather fond of the sound of the fog horn. I think that the inconvenience which the summer residents anticipate is more fancied than real, and that after the fog alarm is in operation a month or two they will not notice it at all. Their interests ought to be considered, however, and we are trying to make arrangements with the United States Government whereby this fog alarm will be used only in cases of necessity during the summer months.

Mr. GERMAN: Subject to that arrangement, the fog alarm will be established?

Mr. HAZEN: Yes, the work will be proceeded with.

Mr. MACDONALD: Is the agency at Pictou a subagency of Halifax, or of Charlottetown?

Mr. HAZEN: Halifax.

Salaries and allowances to lightkeepers, $450,000.

Mr. A. K. MACLEAN: Does this amount cover the allowances made to lightkeepers all over Canada?

Mr. HAZEN: Yes. This vote is for the purpose of providing salaries for superintendents of lights, lightkeepers and crews of lightships. For the fiscal year 1912-13 the expenditure was $415,294.47; for 1913-14, $420,616.13. We are asking for the same appropriation for this year.

Mr. BOULAY (Translation): Mr. Chairman, I would like to inquire from the hon. the Minister of Marine why the lighthouse keeper at Pointe au Prère is not put on the

same footing as the other keepers stationed along the coast.

Since we have been in power, that is since September, 1911, the lighthouse keeper at Pointe au Prère is without telegraphic means of communication at his station, while at every other station along the St. Lawrence lighthouse keepers have remained in possession and retain the use of telegraph facilities.

On a previous occasion I drew the attention of the hon. gentleman to that fact. I do not know whether he did not catch my meaning or else was adverse to granting my request, but at all events I am from year to year in receipt of complaints from that keeper, stating that he is debarred from the use of telegraphic facilities, and I realize that he has good reason to complain. Whenever he wishes to know whether there are vessels coming up or down the St. Lawrence he is under the necessity of walking a distance of four or five arpents to reach the place where the telegraph office is now located.

It seems to me his station should not be on a different footing from that of other lighthouses, unless the intention is to discriminate, and I for one am inclined to consider it in that light, since all other lighthouse keepers have the use of telegraphic facilities.

At Matane, in the constituency I represent, there is a telegraph station in the village. I do not see why at Pointe au Prère, which is a much more important station than Matane and many others, the keeper should not have the benefit of telegraph facilities. Under present arrangements, he is left completely in the dark as regards the movements of vessels up and down the St. Lawrence. To secure information in that respect he must go over a distance of four or five arpents, and apply to a man who is not always of a disposition to facilitate matters for him. I say that such a state of things is intolerable and should not be allowed to exist whether in Rimouski or any other constituency.

Mr. HAZEN: It is my misfortune that I am not able to follow very accurately what the hon. member for Rimouski has said, but I judge that he is complaining because the telegraph office is not in the lighthouse. The telegraph service is controlled by the company which operates the telegraph—I think it is the Great North Western—and the Department of Marine and Fisheries has nothing to do either with the appointment of telegraph officials or with the conduct of the service itself. It is true that at one time the telegraph office was in the lighthouse, but when Mr. McWilliams ceased to be lighthouse-keeper, the telegraph office, which he still retains, was removed to a place not far distant. As this telegraph office is controlled by a private company, my hon. friend will understand that it is impossible for me to have it moved back to the lighthouse.

Sir WILFRID LAURIER: My hon. friend sees now the mistake he made in depriving the country of the services of Mr. McWilliams. He should have been retained in the service.

Mr. BOULAY: Does the Government pay any amount for the use of the telegraph?

Mr. HAZEN: We are paying nothing to Mr. McWilliams in connection with the telegraph service, but I think he is the signal officer there. It is most desirable and in the public interest that the signal service officer should be the man who is the telegraph operator at the place in question.

Sir WILFRID LAURIER: I would suggest that everybody would be pleased, the hon. member for Rimouski included, if Mr. McWilliams was re-instated in the office from which he was dismissed.

Mr. BOULAY: My hon. friend should not be too hard upon the Minister of Fisheries for keeping friends of hon. gentlemen opposite in positions. Hon. gentlemen opposite should not criticise him for that; he has always shown consideration for their friends.

Sir WILFRID LAURIER: Exactly, and the man who is dismissed from the service suffers accordingly.

Maintenance and repairs to lighthouses, $750,000.

Mr. A. K. MACLEAN: Is that the amount usually expended in one year?

Mr. HAZEN: Last year we expended of this amount $699,785. Up to the 31st of December last, for the present fiscal year, we expended $566,444. Up to the end of February we spent $645,361.22. This money is used to maintain aids to navigation, for supplies, fuel, illuminants, cleaning materials, delivering supplies and repairs to aids to navigation. A considerable number of lighthouses have been established during the present fiscal year and doubtless there will be further additions during this year. The humane establishments at Sable island and St. Paul's island will be paid out of this vote. Formerly this was paid out of the life-saving vote.

Mr. A. K. MACLEAN: What is the amount of repair expenditures, roughly?

Mr. HAZEN: By provinces; in Nova Scotia, $166,000; in Prince Edward Island, $22,000; in New Brunswick, $96,000; in Quebec, $183,000; in Montreal, $24,000; in Ontario, $97,000; in British Columbia, $83,000; and on general account, $25,898.

Mr. MACDONALD: Did the minister receive any request to establish telephone communication between Pictou island in Northumberland strait and the mainland?

Mr. HAZEN: Yes, my recollection is that we received a communication asking us, in connection with the life-saving station there, to establish either a telephone or telegraph line to the mainland. We are making inquiries as to the cost and necessity of that work. That would come under the life-saving stations vote.

Mr. MACDONALD: I do not know whether the cable already laid between Nova Scotia and Prince Edward Island could be utilized in connection with the work I have suggested. It passes in the immediate vicinity of Pictou island and on account of its having been laid the people on the island felt that it might be used to afford them some communication with the mainland. I hope the minister will be able to give favourable consideration to the suggestion. Many islands on the coast have telegraphic communication with the mainland through the Department of Public Works. There is a telegraph cable from Cape Tormentine to Traverse and a telephone cable was laid by the steamers of the Department of Public Works last year from Caribou on the mainland, passing in the immediate vicinity of Pictou island.

Mr. HAZEN: I do not know whether it is feasible to have a branch cable connecting with this one across the straits. The cable was not laid by the Marine Department; I understand it was laid by the Nova Scotia Telephone Company and some of the Government steamers rendered assistance in laying it. Possibly we could make arrangements with the Nova Scotia Telephone Company to connect a cable from Pictou island with this one, but our justification for doing so would be that it would be of advantage to the life-saving station. That would be the only ground on which we could do it.

Mr. MACDONALD: It would be justifiable on that ground because the life-saving station is about 9 miles from any port where the assistance of a steamer could be secured. Such a connection as has been suggested would enable people living on the island to communicate with the mainland in any case of urgency.

Construction of lighthouses and aids to navigation, including apparatus, submarine signals, and providing suitable boats for carrying on construction work, $750,000.

Mr. KYTE: Will the minister indicate what new lighthouses he proposes to build in Nova Scotia during the present year?

Mr. HAZEN: I cannot indicate the amount we are going to spend on lighthouses in Nova Scotia. My hon. friend knows the system that prevails, that as applications are made they are submitted to the consideration of the Lighthouse Board who pronounce upon their necessity. The Lighthouse Board meets from time to time and receives applications. The principal works to be carried out next season are as follows: Establishment of a new depot at Dartmouth, $45,000. We were conducting the naval depot at Halifax on the property that belonged to the Imperial Government, but we have practically been driven out of there since the war started; so we have removed the depot to Dartmouth, to the property purchased by the late Government six or seven years ago.

Mr. A. K. MACLEAN: The Troop property?

Mr. HAZEN: Yes.

Mr. MACLEAN: Was that sold?

Mr. HAZEN: We purchased the whole property from Mr. Troop. That portion with the dwelling-house on it has been sold, and we have been using the other portion with the buildings on it; and to properly equip these will take $45,000. Then certain protection work has to be done at Flat Point, at the mouth of Sydney Harbour. A new light is required at Negro Island, and a new tower at Peggy Point.

Mr. KYTE: Where is Peggy Point?

Mr. HAZEN: Somewhere to the west of Halifax.

Mr. LAW: Is there not already a light at Negro Island?

Mr. HAZEN: Yes, but the Lighthouse Board recommends that a new light be put up there. A new light is required for Caribou Island; range lights for Sheet Harbour; a fog alarm for Digby Gut; new apparatus for Cheticamp and Cape St.

Mary; rebuilding burned lighthouse at St. Paul Island; and a new light and fog-alarm apparatus at Scutari. That is as much as I can tell my hon. friend about the work to be done in Nova Scotia.

Mr. KYTE: All these works have been recommended by the Lighthouse Board?

Mr. HAZEN: Yes.

Mr. KYTE: Does the minister propose to have this work done by tender and contract?

Mr. HAZEN: In nearly all cases our work is done by tender and contract. But in some cases where the tenders are very high, the Chief Engineer recommends that the Government do the work by day labour, under an inspector appointed by the Engineering Branch of the Marine Department With that exception, contracts are let whenever the amount is over a few thousand dollars.

Mr. KYTE: It is not customary to advertise for tenders in the newspapers. I think the practice is to send notices out in different post offices and to well-known contractors?

Mr. HAZEN: That is the case with the smaller jobs; the larger ones are advertised generally.

Mr. KYTE: I think that was the practice followed by the late Government. Do the officials of the department send notices of these tenders to the men whose names were on file in the department as light-house builders, before the change of Government?

Mr. HAZEN: The deputy says we have no such list. In the case of the smaller light-houses the notices are put up in the post offices. In the case of larger works, they are generally advertised in the district where they are to be erected.

Mr. KYTE: I had the impression that the department sent out notices of these tenders to men who were known to the department as responsible contractors.

Mr. HAZEN: The deputy says he thinks not. He says that shortly after the notices are published in the post offices we receive inquiries for specifications from people who are always on the look-out for that kind of work.

Mr. KYTE: The reason I bring the matter up is because from day to day I am requested by contractors in my own county to see that their manes are filed with the Department of Marine and Fisheries, as persons who would be likely to tender for such contracts; but if that is not the practice nothing would be gained by forwarding the names to the department.

Mr. HAZEN: The deputy tells me there is no such list in the department.

Mr. PUGSLEY: I presume that the depot at St. John will be paid for out of this vote.

Mr. HAZEN: Yes.

Mr. PUGSLEY: How is work on the St. John wharf progressing? I have seen it stated, I am not sure whether it was in the newspapers, but certainly in communications that I have received, that some trouble had arisen by reason of the settlement of the concrete.

Mr. HAZEN: My attention was called to the newspaper paragraph to which my hon. friend alludes. I at once saw the chief engineer of the department, and the assistant engineer, Mr. Fraser. Mr. Fraser has had a great deal to do with the construction of this wharf, and he had just returned from St. John. He told me that there was nothing at all serious the matter, or which would add in any appreciable way to the expense. He said that the wharf when completed would be capital in every respect. There has been some little settlement, I understand, at one part of the wharf, but Mr. Fraser says it can be remedied without any trouble. Both he and Colonel Anderson assured me that I need have no apprehensions as to its safety or security.

Mr. PUGSLEY: What was the contract price?

Mr. HAZEN: $185,000.

Mr. PUGSLEY: What did the site cost?

Mr. HAZEN: Somewhere about $60,000.

Mr. LAW: What is to be erected at Digby Gut?

Mr. HAZEN: A fog alarm.

Mr. LAW: A new one?

Mr. HAZEN: Yes.

Mr. LAW: In addition to the one that is there now?

Mr. HAZEN: Yes, inside.

Mr. LAW: How much will it cost?

Mr. HAZEN: $15,000.

Mr. LAW: Is it necessary to have two fog alarms there?

Mr. HAZEN: The application came from the steamboat people who are running boats across the bay, and the Lighthouse Board recommended it.

Mr. LAW: I do not see the necessity for another fog alarm there.

Mr. HAZEN: They say that inside the Gut you cannot hear the fog alarm at all.

Mr. LAW: When you are inside, you don't need to hear it. I have crossed the bay a great many times and have always been able to hear the fog alarm from quite a distance.

Mr. A. K. MACLEAN: Does the minister propose to locate the depot at Dartmouth permanently, or to use Halifax later?

Mr. HAZEN: It is very difficult to get a convenient site along the water-front in Halifax at a reasonable price. Our idea is that we should use the site purchased by the previous Government, I think, with the idea of a marine depot in view. There was a little difficulty at Halifax, on account of the men crossing and recrossing the water, but we can overcome that by a boat. We think on the whole it would be better at Dartmouth.

Mr. KYTE: What proceeding is followed after an application has been received for the construction of a lighthouse?

Mr. HAZEN: The Lighthouse Board consists of the deputy minister, the chief engineer of the Marine and Fisheries Department, the inspector of lights of the Marine and Fisheries Department, the chairman of the Dominion Marine Association, and the chairman or some man appointed by the Shipping Federation of Canada.

In many cases these gentlemen are familiar with the localities where these aids to navigation are or should be placed. The chief engineer of the department, who has been there for over forty years, is familiar with every lighthouse in Canada. I believe that he could sit down, and, starting at a point on the coast, point to the place where each lighthouse is located. Mr. McPhail is also familiar with this matter. For many years Mr. Andrew Allan has been a member of the board as the representative of the Shipping Federation of Canada. These gentlemen have a good deal of knowledge within themselves. If they have not the knowledge within themselves they may get it by an examination of the chart, or they may get it from the reports of the inspector of lights, or from the agents of the Marine Department, while in some cases they utilize officials in obtaining information in regard to lights.

Mr. MACDONALD: Who succeeded Mr. Allan on the board?

Mr. HAZEN: He is still on the board.

Mr. LAW: Since the appropriation was voted the other night for schools of navigation, I have received a letter from the teacher of the school of navigation at Yarmouth, in which he says that the opening of the free schools at Halifax and St. John has taken away about all his pupils. The school at Yarmouth is one of the oldest schools of navigation in Nova Scotia. It has turned out as many masters and mates as any other school in the maritime provinces. It would be quite a hardship if Yarmouth were deprived of this school altogether, as it serves the community from Lunenburg to Annapolis. The pupils are so few that it will be necessary to close the school altogether. On behalf of the western part of the province I would like to ask the minister to take the matter into his serious consideration and not allow this old, representative school to be displaced by these schools in Halifax and St. John. I am convinced that this teacher, who has done such good work, would be prepared to perhaps take a little less salary than the salaries paid at the schools in Halifax and St. John. I would ask the minister to take it into his consideration and see whether it would be possible to have the school at Yarmouth retained.

Mr. HAZEN: I think there is a great deal in what my hon. friend says. I would be very sorry indeed to see Yarmouth left without a school of navigation. It is an important point from the marine standpoint. Up to a few years ago students at St. John and Halifax who wanted to get the necessary education in navigation had to go to Yarmouth. The opening of these schools at St. John and Halifax has perhaps drawn them away to some extent from the Yarmouth school. I will give this matter my very sympathic consideration.

Mr. BOULAY: I would like to ask the minister if he is aware that some boats struck rocks last season about two miles from the shore of the St. Lawrence opposite Ste. Félicité.

Mr. HAZEN: What are the names of the ships?

Mr. BOULAY: I do not remember the names. One had to unload her cargo before she could get out, and she was badly damaged. The other one only touched something, but nobody could say what it was. I would like to know if these facts have come to the knowledge of the Department of Marine and Fisheries.

Mr. HAZEN: I do not recollect any such circumstances at the present time, but I will endeavour to get the information for my hon. friend. I will ask the deputy to make a note of it.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

The House in Committee on Private Bills, Mr. Sevigny in the Chair.

Bill No. 44, respecting certain patents of the Lohmann Company—Mr. Fripp—in Committee.

Mr. NESBITT: Has the minister looked into this Bill?

Mr. J. D. REID: Yes, I was present when the Bill was discussed in the committee. This patent has been kept alive and the fees have been paid in full, but where they were in default was that the patentee died shortly before the time had elapsed for them to come under the license system.

Mr. MACDONALD: This is the usual Bill to revive a patent. They have not complied with the terms of the patent and they come here to ask special legislation to get a license to do certain things, and that without manufacturing necessarily in Canada. Many times the question has been discussed in this House as to the wisdom of reviving these patents, and in every case, unless some special cause has been shown, I have dissented to such legislation. What are the special circumstances here?

Mr. J. D. REID: I have always taken the position that where a patent has been allowed to expire, because the fees have not been paid, the patent should not be revived, and that course has been followed in several cases this session. In the present case the fees have been paid. Under the Patent Act, they can within six months after the patent has been issued, get a license on making application, but in this case the patentee died a month or two before the expiry of that period, and this legislation is simply to put them in a position to apply for a license according to the Act.

Mr. MACDONALD: What is the nature of this patent?

Mr. REID: The Bill is in charge of Mr. Fripp, and, as he is not present, if the hon. gentleman wishes, it can stand.

Mr. MACDONALD: My attitude in regard to such legislation as this always has been to oppose giving the patentee rights, after the expiry of the time provided for in the patent, unless perchance the article is manufactured in Canada. If the article were manufactured in Canada, I would be disposed to give the patentee any privileges that were possible; but, as that is not the case, there ought to be the fullest explanation in each case, and the hon. member for Ottawa (Mr. Fripp) ought to give us that explanation.

Mr. J. D. REID: I agree with the hon. member. I am just as strongly opposed to the granting of these renewals as he is. I went into this case very fully with the deputy minister, before I consented in the committee to support the renewal of this patent. I would prefer that a much fuller explanation be given to the committee, and therefore I am willing that the Bill should stand.

Mr. MACDONALD: Last year I impressed on the Minister of Agriculture the desirability of having some amendments made to the Act, if it were desirable to have these privileges granted. If not, we ought to adhere to the Act, except in the most exceptional cases and only where it is in the interest of the country and not in the interest of the patentee that it should be done.

Mr. J. D. REID: I drew the attention of the committee to the fact that applications for the renewal of patents had been increasing in number for many years. The committee unanimously came to the conclusion that we should very carefully investigate each case. It will be apparent from the results accomplished this session that the committee have done good work.

Progress reported.

Bill No. 55, to incorporate Vancouver Terminal Railway Company, and recom-

mending that the title be changed to an Act to incorporate Fraser Valley Terminal Railway Company—Mr. Stevens—in committee.

On section 1—name:

Mr. MACDONELL: I would suggest that the Bill stand over until Monday, because the promoter is not here.

Mr. TAYLOR: I do not think this Bill should stand over until Monday. It is a matter of great importance to the promoters to have this Bill pass through the Senate. I am prepared to give the committee any information desired with respect to it. It has been thoroughly thrashed out before the Railway Committee.

Mr. MACDONELL: I was in the Railway Committee on the first occasion on which this Bill came up. It was fully discussed for an hour or an hour and a half, and by a substantial majority the committee killed the Bill. Later a motion was made in the House to refer the Bill back to the Railway Committee. I did not oppose that motion although I had very strong opinions adverse to the principles of the Bill. The motion was passed, and the Bill went back to the committee. On the same day and at the same hour at which the Railway Committee was sitting, I was engaged on another committee, and I had no opportunity of being in the Railway Committee when this Bill was under discussion; but I understand that many amendments were made of a far-reaching and substantial nature. Since then the Bill has not been reprinted, and it has been amended out of all recognition as compared with its original condition. I am glad of that, because the original Bill, in my opinion, was a highly improper one. As the committee should be properly informed as to the nature of the amendments, and as it cannot be properly informed unless the Bill is printed as amended, and as the hon. member for Vancouver (Mr. Stevens) in whose name the Bill stands is not here, I think the Bill should stand. Monday is a day which, if necessary, can be devoted entirely to private Bills, and there is plenty of time for the Bill to be considered in committee then. I am not taking the ground of opposing this Bill; but there were some very obnoxious clauses in it, and I had sound objections to the principles of certain of its clauses. I would like a proper opportunity to consider the amendments. I am not desirous of blocking the progress of the Bill. There is ample time for it to go through.

Mr. CARROLL: The preamble of the Bill was killed the first time the Bill came up for discussion in the Railway Committee, owing to the stand taken by the hon. member in whose name the Bill stood. The Bill was referred back to the Railway Committee. That committee took it up the other day, and struck out the clause that was obnoxious to the hon. member for Vancouver (Mr. Stevens.) That meant that this terminal company would not have any of the rights which it had in the original Bill, all reference to Vancouver having been cut out. In addition to that, the only other amendment moved by the hon. member for Vancouver was adopted by the committee, with the exception of one word which the hon. Minister of Railways agreed should be cut out also. The only reason why I should like this Bill to go through is that it has been thoroughly discussed for two days in the committee. After the amendments made by the hon. member for Vancouver had been accepted, the committee passed the Bill practically unanimously. I do not see any good reason why the Bill should stand over, because the session is getting very short and it has to go to the Senate, and the promoters are anxious to have the Bill go through. If the hon. member for Vancouver was foiled in any amendment that he wished to make before the committee, there would be some reason for having the Bill stand over. The amendments to the Bill are not very far reaching; some of the sections having been cut out, and the objectionable features of the last section of the Bill having been corrected by the committee to meet the wishes of the hon. member for Vancouver.

Mr. MACDONALD: Perhaps the hon. member for Westminster (Mr. Taylor) will explain the Bill.

Mr. TAYLOR: This Bill gives authority to a company, owning a large area of property on Lulu island, in the constituency that I represent, to make connection with the several railways, namely, the Canadian Pacific, the Canadian Northern and the Northern Pacific principally, running into the Fraser valley. The essence of the Bill is the section giving permission to the company to run lines from its terminal at the extremity of Lulu island to all these railways. In committee, after the Bill was referred back, all reference to Vancouver city was struck out, because Vancouver had

represented to the committee that the Bill as presented interfered with a certain agreement between that city and the Canadian Northern and Canadian Pacific railways. That being the case, no other objection on the part of the city of Vancouver or of any other interest remained. It is vital to the interest of an important part of my constituency that the promoters of this enterprize be given the opportunity they desire to develop the dock and harbour works which they have in contemplation and which this Bill will enable them to connect with the railways. As to the alterations made in committee, nothing new was inserted in the Bill except a section at the end safeguarding the contract of the city of Vancouver, and a couple of standard clauses which were inserted at the instance of the chairman of the committee. The amendments made in committee consisted mainly of striking out what seemed to be unnecesarily liberal provisions. I agree with what has been said by the hon. member for South Cape Breton (Mr. Carroll) that it is essential to the safety of this Bill that it should not be delayed at this late stage of the session, and I would suggest to the hon. member for Centre Toronto (Mr. Macdonell) that his purpose would be served if he would discuss any objections as the different sections are reached in this committee.

Mr. MACDONELL: I am not opposing this Bill, nor am I concerned in it except from the standpoint of the public interest. The amendments are difficult to understand; they appear to change the whole character and nature of the Bill. I am quite willing that the Bill should be proceeded with, if that is the desire of the committee, and if proper explanations can be given with regard to the proposed amendments.

Mr. TAYLOR: I think the hon. member is mistaken as to the nature of the amendments. I will send him a copy of the Bill which, I think, will reassure him.

Section agreed to.

On section 8—powers, etc.:

Mr. MACDONELL: The operations of the company are now confined to the municipalities of Richmond and New Westminster.

Mr. TAYLOR: Yes.

Section agreed to.

On section 11—special powers:

Mr. MACDONELL: Sections 9, 10 and 11, as they appeared in the original Bill, have been struck out, I understand.

The CHAIRMAN: Yes, these are new sections.

Section agreed to.

Bill reported, read the third time and passed.

Bill No. 51, respecting the Kettle Valley Railway Company, and to ratify and confirm an agreement with the Vancouver, Victoria and Eastern Railway and Navigation Company.—Mr. Green.

Considered in committee, reported, read the third time, and passed.

SECOND READINGS.

Bill No. 72, for the relief of William Ewart New.—Mr. R. B. Bennett.

Bill No. 74, for the relief of Helene Suzette Baxter Douglas.—Mr. Fripp.

SUPPLY.

The House resumed in Committee of Supply, Mr. Sevigny in the Chair.

Marine—Signal Service, $60,000.

Mr. HAZEN: This service collects and distributes information of the movements of vessels on the Great Lakes, in the river and gulf of St. Lawrence and on the Atlantic coast of Canada. It also reports ice and weather conditions. The service is also extensively used by the lighthouse and buoy service of the river St. Lawrence ship channel in connection with dredging. The expenditure for the fiscal year 1913-14 was $46,296 and the expenditure up to the 31st of December, 1914, during this fiscal year, was $39,271, so that the expenditure this year will apparently be about the same as last year. The stations are equipped to receive the reports by flag signals.

Mr. PUGSLEY: Where is the signal office at St. John?

Mr. HAZEN: In the custom house. There is also an official employed on Partridge island in connection with the Marconi station.

Mr. PUGSLEY: I was wondering whether this included the wireless station.

Mr. HAZEN: The only thing it includes in connection with wireless is $200 paid to a man on Partridge island. The operator at St. John is Mr. H. P. Butler, with offices in

the customs house. He has been in the service a considerable number of years. He has an asistant, Mr. C. A. Cromwell.

Mr. PUGSLEY: What does the officer at Partridge island do?

Mr. HAZEN: The deputy tells me that some arangement was made with the Marconi Company for one of their operators to do this work. That acounts for the $200.

Mr. PUGSLEY: Who is he employed by, the Government or the Marconi Company?

Mr HAZEN: The Marconi Company, under arrangement with the Government.

Mr. PUGSLEY: I have been requested from St. John to get some information as to the three other gentlemen who are em-employed on Partridge island.

Mr. HAZEN: I think you will have to ask the Militia Department about that. I presume my hon. friend refers to three gentlemen who are acting as censors, Mr. Masters, Mr. Crockett, and Mr. Shaw. They are paid by the Militia Department.

Mr. PUGSLEY: I have the best feeling in the world for these three gentlemen, more particularly Mr. Masters and Mr. Shaw, whom I am acquainted with, but there is a feeling of curiosity in St. John as to what the duties and salaries of these gentlemen are. Mr. Shaw is a lawyer and knows nothing about wireless telegraphy; no more does Mr. Masters.

Mr. HAZEN: These men are censors. All the telegrams passing through that station have to pass through their hands. If it would not be in the public interest to publish any of the despatches, I presume these gentlemen would submit the point to Major Hamilton here in Ottawa, who is the chief censor. All I know about these men is that I was asked by the Militia Department if I could recommend three suitable gentlemen, and I recommended the three men whose names I have mentioned, thinking they were suitable in every way.

Mr. PUGSLEY: Nobody would go to Partridge island to send a wireless message. Messages would be caught by the wireless instrument there and forwarded on, so I do not see how these gentlemen, unless they are familiar with the wireless system, can be of any advantage—unless the messages are translated by the operator and submitted to them for inspection.

[Mr. Hazen.]

Mr. HAZEN: I expect that is what happens.

Mr. PUGSLEY: Does my hon. friend not know what they receive?

Mr. HAZEN: They receive a certain sum per day; I am not quite sure just what, but the Minister of Militia will explain the whole matter when his estimates are under consideration. My impression is that the chief censor there gets $8 a day, and the two assistants $7 a day.

Mr. PUGSLEY: I have been told that they get $10 a day, and that each one rests about three days a week, but the pay goes on just the same.

Mr. HAZEN: I think the chief censor gets $8, and the two assistants $7.

Mr. PUGSLEY: If the services of these gentlemen are necessary, I have no objection at all to their employment. Indeed I shall be very glad to see them employed. But there is an impression, which I should be glad to know can be dispelled, that the services of these three gentlemen are not necessary. Personally, I do not know. Perhaps we can get the information from the Minister of Militia.

Mr. HAZEN: He will be here when his estimates are up.

Mr. PUGSLEY: But he is so busy that one hates to bother him. I would sooner bother the Minister of Marine. This thing is in his own constituency, and I have no doubt he recommended these gentlemen.

Mr. HAZEN: Yes, I was asked to recommend three.

Mr. PUGSLEY: And my hon. friend gave no thought to the question whether they were really required or not?

Mr. HAZEN: I supposed the Militia Department would not ask for them if their services were not required.

Mr. PUGSLEY: I am glad my hon. friend has such confidence in the Militia Department. It is said my hon. friend was acting Minister of Militia at one time; perhaps these men were appointed then.

Mr. HAZEN: No.

Mr. PUGSLEY: They were appointed by the Minister of Militia?

Mr. HAZEN: Yes.

Mr. MACDONALD: Are all the censors in Canada under the direction of the Militia Department?

Mr. HAZEN: I think so.

Mr. MACDONALD: In regard to the signal office in Halifax; I think my hon. friend said that daily reports were published.

Mr. HAZEN: I do not think there is a signal office in Halifax. Halifax gets its signal reports from St. John. I have the list of signal stations here, and Halifax is not included. I might read part of the list: Bersimis, North Sydney, N.S., Lurcher Lightship, Brier island, Pt. Lepreaux, Partridge island, St. John, N.B., Bay St. Lawrence, Money Point, C.B., Flat Point, N.S., Cape Ray, Newfoundland, Chatham, N.B., Pt. Escumiac, N.B., and so on.

Mr. MACDONALD: What I had in mind was the daily publication of movements of vessels. I thought my hon. friend said that these were published by St. John, Quebec, and Halifax.

Mr. HAZEN: No. Montreal, Quebec and St. John publish daily bulletins, and they are sent over from St. John to Halifax, I understand.

Mr. MACDONALD: Are they published in Halifax?

Mr. HAZEN: They are immediately telephoned to all interested parties in Halifax.

Mr. A. K. MACLEAN: I was not in when the minister was describing the signal service. What is it, just in a word?

Mr. HAZEN: It collects and distributes movements of vessels on the Great Lakes, on the Atlantic, and on the St. Lawrence, and gives the ice and weather conditions generally.

Mr. MACLEAN: What does the publication consist of; is it posted in shipping offices?

Mr. HAZEN: They post up a bulletin.

Administration of pilotage and maintenance and repairs of steamer Eureka, $56,300.

Mr. CARROLL: I notice that this item includes repairs to the steamer Eureka, and I see that by Item 256, $100,000 is required to provide a vessel to replace the Eureka. Is the Eureka still in service?

Mr. HAZEN: Yes; she is used by the pilot service at Father Point. Both in the report of the Pilot Commission, which was laid on the table of the House last session and in the report of the Lord Mersey Commission appointed to inquire into the Empress of Ireland disaster, it was recommended that a different system of picking up and dropping pilots, although the accident did not occur in consequence of the present system, be adopted. It was recommended that the pilots should board the ships at a different point from where they were dropped so as to avoid the danger of ships crossing one another when coming in towards the shore to pick up or drop the pilot. We have a boat at present there, the Eureka. It is an old boat but apart from that it has not the necessary accommodation and Parliament has made an appropriation for a new boat. We hope to be able to purchase a boat that is suitable, but if we cannot purchase one then we will have to build one.

Mr. CARROLL: Are the pilotage commissioners at the ports of Sydney and North Sydney paid out of this fund?

Mr. HAZEN: No.

Mr. CARROLL: They maintain themselves?

Mr. HAZEN: They are paid out of the fees they collect at the port of Sydney.

Mr. CARROLL: I do not mean the pilots; I mean the commissioners.

Mr. HAZEN: I do not know whether the pilot commissioners are paid anything at all, speaking simply from memory. At many ports the pilotage commissioners receive nothing for their services, but if they are paid they will be paid out of the fees collected at the ports.

Mr. CARROLL: The department appoint these commissioners?

Mr. HAZEN: Yes.

Mr. CARROLL: I want to say a few words about the conduct of the commissioners at the ports of Sydney and North Sydney. A couple of years ago they undertook to dismiss men who had grown up in that service. I am not blaming the minister at all; he does not pay them, although he appoints them. But in the interest of the department, and in the interest of the pilotage system, at these ports I would like to draw his attention to the fact that the pilotage commissioners are doing a grievous wrong. Old men who have grown up in the pilotage system, who have been earning their living in that way were dismissed and new men were appointed. The commissioners undertook to dismiss several of these men who had no other occupation and wh-

were making a success of their work. Four men, including Mr. McGillivray at Low Point, were dismissed without any reason whatever. Under the by-laws of the commission they should have had an investigation in order to find some reason for dismissing these pilots. I am not finding fault with the gentlemen they put in their places. Mr. McGillivray took action against the pilotage commission for wrongful dismissal, the case was heard before one of the very best judges in Sydney and he decided that the commissioners were wrong in dismiss- this man. The case was appealed to the Supreme Court of Nova Scotia, Mr. McGillivray lost and it is now on appeal to the Supreme Court of Canada. I would suggest to the minister that if the department does not pay these commissioners, they are under the jurisdiction of the department by reason of the fact that they receive their appointment from the department and it is therefore incumbent upon the minister to inquire into their conduct. I beg to inform him that in dismissing these men they were doing something which was not in accordance with the faithful performance of their duty. The men whom they dismissed have been practically since that time out of employment. One of them does not need employment because he has other business, but it is very unfair and very unwise to allow these commissioners to indulge in that sort of frivolity because I can think of no other word to characterize their action. If they had anything against these men, if there had been an investigation under the regulations and it was found that they were wanting in any respect, I could understand why they should be dismissed. If the minister cannot remedy the wrongs that have been done there he should see that in future no such wrongs are committed again. To show that the pilotage commissioners knew that they were wrong I may state that the moment 9 p.m. Mr. McGillivray brought his action against them, and he had to bring action against the commissioners personally, they put him to work and he has been at work ever since.

Mr. HAZEN: Is the suit still going on?

Mr. CARROLL: The suit is still going on and it has been carried to the Supreme Court of Canada. I suppose that if the other three men had had sufficient money to start action that they would have had their jobs back by this time. I do not desire to criticise the minister, but I want to bring this to his attention and the attention of his department.

Mr. COPP: I would like to draw the attention of the hon. Minister of Marine to a very similar case which has occurred in the town of Sackville. The chairman of the pilotage commission there was an old sea captain who had seen service for a long while, and there was a gentleman in that locality who desired to be appointed a pilot. I do not know whether there is an examination which applicants have to undergo for the position, but at any rate the Board of Pilotage Commissioners would not appoint this man as a pilot. This was going on for two or three years; the minister may remember that there was some correspondence in regard to it. Recently the chairman of the board was dismissed because he would not appoint the man in question a pilot. He claimed that he was absolutely unfit for the position. Another retired sea captain in that same port was offered the position of chairman of the commission but he refused to take it, because he would not pass this applicant as a pilot. Since that time still another gentleman has been appointed chairman of the board who is not a seafaring man at all, although he is a very estimable man and I have nothing to say against him. I do not know whether this applicant has been appointed or not . There has been some correspondence within the last four or five months with regard to the subject. I do not know whether this affair was conducted as a matter of patronage or whether it was simply done by the Board of Pilot Commissioners. I shall have no hesitation in giving the minister the names of these gentlemen privately if he wants to look into it.

Mr. HAZEN: We always accept the recommendations of the commissioners before licensing the pilots. I have no recollection of the matter that the hon. member for Westmorland (Mr. Copp) refers to. I am sorry we have not the file here to-night, but I will look into it.

Mr. COPP: Captain Anderson was the chairman of the Pilotage Commissioners who refused to appoint this man as a pilot and who, in consequence, was dismissed. The position was offered to another gentleman, Captain Atkinson, who refused to accept it on the condition that he should appoint this man a pilot.

Mr. CARROLL: I feel like asking the minister to request the commission at Sydney to give their reasons to the department

for dismissing these men. They had no reasons, there was no investigation, and under these circumstances I think the men should get their positions back.

Mr. HAZEN: I will look into it.

Maintenance and repairs to wharves, $10,000.

Mr. MACDONALD: What is that for?

Mr. HAZEN: That is for the maintenance of wharves that are under the control of the Department of Marine and Fisheries. The hon. gentleman knows that when these wharves are built by the Department of Public Works they are handed over to the Department of Marine and Fisheries, who manage them and appoint a wharfinger who collects the tolls and so on. There is a provision that repairs not exceeding $50 shall be made by the Department of Marine and Fisheries. If they go beyond that amount the Department of Public Works are called upon to provide for them. It is for that service.

To provide for breaking ice in Thunder Bay and Lake Superior and other points deemed advisable for the good of navigation, $40,000.

Mr. HAZEN: There was a contract for the breaking of ice in Thunder bay with the Canadian Towing and Wrecking Company which expired last spring. Public tenders were invited for renewing the service and only one tender was received, that of the Canadian Towing and Wrecking Company for $30,000. A new contract has been made at that figure. The contract formerly was for $33,000. Three years ago, when it expired, we asked for public tenders and there was some competition and a contract was entered into for a sum which was less than $20,000. When that contract expired the contractor was not willing to go on, and we asked for tenders again and this was the lowest and only tender that we received. Included in this estimate there is $500 for the winter ferry service between the mainland and St. Joseph island which is under contract. Then $300 is allowed for keeping open the St. Croix river between New Brunswick and the state of Maine. I believe a similar amount is allowed by the government of the United States, or of the State of Maine, so that the river may be kept open and free from ice.

Mr. GERMAN: Is this not rather a broad way to put down an expenditure of $40,000:

To provide for breaking ice in Thunder bay and lake Superior and other points deemed advisable for the good of navigation, $40,000?

That leaves it absolutely for the minister to say what other points shall be taken into consideration.

Mr. HAZEN: You cannot foresee whether ice will have to be broken or not, and where you may have to break it. I remember that one year we had a contract with Mr. Playfair, and ice had to be broken on some harbours in the lakes so as to facilitate the grain coming down. Another year, owing to strong representations from those engaged in the grain trade, we had to do ice-breaking on the St. Mary's river or else a good deal of damage would have resulted.

Mr. GERMAN: Of course, a good many thousand dollars may be spent on work like this which might not be necessary.

Lighthouse and coast service—repairs to Maritime Road, $1,000.

Mr. HAZEN: I suppose some gentlemen will wonder what a maritime road is, as I have often wondered. In the seventies, the Government of Canada extended the telegraph line along the whole north coast of the Gaspé peninsula, and later to the island of Anticosti, as an aid to shipping, with the satisfactory result that shipwrecks on the island of Anticosti showed an immediate and substantial decrease in number. The north shore of the Gaspé peninsula is very mountainous and rugged and sparsely settled. A road was necessary for the maintenance of the Government telegraph lines, if for no other purpose, and 185 miles of such road was built. Since then the Dominion Government has regularly contributed towards its repair. The municipalities would only repair the road within their own boundaries, and the Provincial Government would only repair those sections where there was population. There are long stretches of the road without any settlers fronting on it, and in these parts the road became impassable. Dr. Wakeham, the Superintendent of Fisheries, who has charge of the repairs, recommends that this grant be continued for some years to come, and the Chief Engineer of the Department concurs in the recommendation.

Lighthouse and coast service—to provide for telephones at different points throughout the Dominion in connection with aids to navigation, $5,000.

Mr. MACDONALD: Where are those telephones?

Mr. HAZEN: I have not the information at hand just now, but I will furnish a list to my hon. friend.

Mr. MACDONALD: The minister might bring it down when next he goes into Supply, and give the information to the House, because I wish to have it on Hansard.

Mr. HAZEN: Very well.

Lighthouse and coast service—for construction of a steamer to replace the Scout, $17,640.

Mr. HAZEN: A vote of $90,000 was passed in 1914-15 for a new boat called the Grenville to replace the Scout which was engaged in the buoy service on the St. Lawrence between Kingston and Cornwall. The Scout which was a very old boat was condemned by the inspector, and in the meantime we have chartered a boat for this service. The Grenville was built under contract with Polson's of Toronto and the contract price was $173,389. In 1913-14, $23,000 was paid and there is $90,000 voted for the present fiscal year 1914-15 leaving a balance due of $55,598. As the Polson Iron Works expect to be paid ninety per cent of the contract price before the end of the present fiscal year, it will be necessary to provide for $43,000 in the Supplementary Estimates for 1914-15. The Scout was an old wooden vessel built in Ontario. The Grenville is 164 feet long and 30 feet wide and will be completed for the season of navigation 1915-16.

Lighthouse and coast service—new vessel to replace the Maisonneuve, $30,000.

Mr. HAZEN: The Maisonneuve which was engaged in the light service on the Ottawa river and the Rideau canal was an old wooden boat built at Smiths Falls, and she has been condemned as unsafe. The steamer to replace the Maisonneuve is being built at the Government shipyards in Sorel and is estimated to cost $40,000. A tug called the Maggie May has been chartered at $9 a day to take the place of the Maisonneuve.

Mr. GERMAN: What about the Scout? I saw the Scout last summer.

Mr. HAZEN: The Scout was out last summer, but she is not fit to go out again.

Mr. GERMAN: She did not look so unfit last summer that she could not go out again. I thought she was quite a boat.

Mr. HAZEN: As a matter of fact, we have been running her longer than we should have done. She was condemned some years ago.

Mr. GERMAN: Surely some use could be made of her.

[Mr. Hazen.]

Mr. HAZEN: I do not think so. She has been condemned by the inspector of boilers and also by the inspector of hulls.

Lighthouse and coast service—amount required to provide a vessel to replace the Eureka, $100,000.

Mr. HAZEN: This is what I told the House about a few moments ago in regard to the pilot service at Father Point. We hope to be able to buy a suitable vessel for a smaller amount than the amount in the estimate, so that we can get it into service during this year. If we proceed to build a new vessel, I am afraid that it will cost more than $100,000. We are looking out now for a suitable vessel.

Mr. GERMAN: This $100,000 is put in simply for the purpose of having it there in case you can find a suitable boat that you can buy at that figure?

Mr. HAZEN: We will buy one out of this appropriation.

Mr. GERMAN: Why bother about buying a vessel this year?

Mr. HAZEN: Because we want it for this season's business on the St. Lawrence. It is only a few months before navigation will open on the St. Lawrence, and if we are to carry out the recommendations made by the Pilot Commission and also by Lord Mersey, we must have a boat as soon as possible. If we have to get the designs and plans made for a boat and ask for tenders and award a contract, we cannot get a new boat until next year and perhaps not then. We are anxious to get a boat as soon as possible to carry out the recommendations.

Amount required to pay compassionate allowance to the widow of second officer Lachance of the C.G.S. Montmagny, who was lost on the occasion of the sinking of that vessel.

Mr. HAZEN: This is the compassionate allowance to the widow of second officer Lachance of the Montmagny, who was drowned while attempting to rescue passengers when the Montmagny collided with another vessel in the river St. Lawrence off Crane island in September, 1914. He was in the employ of the Government at the time, and it was thought fair to give this compassionate allowance.

Meteorological service, including magnetic observatory—grants of $500 each to Kingston and Montreal observatories; also allowance of $400 to L. F. Gorman, observer at Ottawa.

Mr. HAZEN: Hon. gentlemen will see that the estimate is somewhat lower than it was last year. This is due to the fact

that last year contained $8,000 for the completion of the observatory at St. John, $5,000 for an observatory at Victoria, and an item of $14,000 for director's residence at Toronto, which has been cut out. Otherwise the items are practically the same as last year. The service is carried on under the direction of Mr. Stupart, the chief of the service, and his headquarters are in the city of Toronto where the observatory is and he has observers in all parts of Canada.

Marine hospitals, including grants to institutions assisting sailors, $75,000.

Mr. LAW: Is there any change made in reference to the Marine hospital at Bunker's island?

Mr. HAZEN: No.

Mr. LAW: Last year it was contemplated that the hospital be closed there and the seamen taken to the general hospital at the town of Yarmouth.

Mr. HAZEN: Nothing further has been done about the matter.

Wrecked and distressed seamen, $3,000.

Mr. A. K. MACLEAN: What amount was expended last year?

Mr. HAZEN: In 1913-14, $1,331.09. Up to the 31st December of this year, $215. That is for assisting seamen, who are shipwrecked and distressed in foreign countries, to return home.

Mr. MACLEAN: That policy was introduced only recently?

Mr. HAZEN: No, it is a very old practice.

Mr. MACLEAN: It is a good one and is to be commended. I did not know it was introduced before.

Mr. COPP: In reference to marine hospitals, take ports where there is not such a hospital. Have the sailors the right to be sent to the nearest hospital to receive aid from the Government and to be looked after?

Mr. HAZEN: Yes.

Mr. COPP: We used to have an old hospital at Westcock that has been abandoned. I did not know how the sailors would be treated.

Mr. HAZEN: We send them now to the local hospital at Moncton.

Mr. A. W. CHISHOLM: Can the minister tell me what amounts have been paid to the medical men at Cheticamp in the county of Inverness for attending sick mariners last year?

Mr. HAZEN: I can give the hon. gentleman that information from the Auditor General's report. For attendance and medicine, Dr. P. J. Fiset was paid $110.75, and Dr. W. LeBlanc, $274; total, less $1 underpaid Dr. Fiset, $383.75.

Mr. A. W. CHISHOLM: I suggest to the minister that an improvement might be effected in the work which is being done at Cheticamp by appointing one of these gentlemen at the usual salary. It is customary in other places to appoint one man at a salary of say $300. The whole responsibility would then be upon him, and the results would be more satisfactory. I respectfully ask the minister to take that suggestion into consideration.

Mr. HAZEN: The salaries in the different places range from $100 to $500, so far as my recollection goes. Perhaps it would be better to arrange to pay the amount in a lump sum. In this case the doctor furnishes his own medicines.

Mr. KYTE: What is paid to the marine doctor at Arichat, N.S.?

Mr. HAZEN: Dr. LeBlanc's salary as medical officer is $300.

Mr. KYTE: What is the salary of the doctor at St. Peter's ?

Mr. HAZEN: Dr. McDonald, $250.

Mr. MACDONALD: I understood when I was home two or three weeks ago that negotiations have been had between the local hospital board in Pictou and the department with reference to the taking over of the old Sick Mariners' hospital. How does this matter stand ?

Mr. HAZEN: I think the negotiations are almost concluded. We were willing to hand the hospital over to the local hospital board at a nominal rental of $1, subject to certain conditions with respect to repairs, and so on; I have not the details in my mind. There was some little apprehension on their part that after taking the hospital and spending some money on it we might probably take it back. There is not the slightest danger of that, however, because the idea of having marine hospitals has practically been abandoned. In every place where there is a proper public hospital the Marine Department makes arrangements with the hospital trustees to take all sick seamen at certain

per diem rates. We find that this arrangement is better for the seamen, because they get better accommodation, and the cost to the department is very much less.

Mr. MACDONALD: The organization which conducted the negotiations with the minister in this matter was a local hospital board composed of persons of all denominations who are interested in charitable work. They did entertain an apprehension along the line suggested by the minister, and I pointed out to them that, from what I knew of the subject, the general policy of the department was primarily to see that the sailors were properly cared for, and that so long as the conditions of the transfer were carried out, the department would not take the hospital from them. I thought that the conditions proposed by the minister were fairly reasonable, and I said so. I hope the matter will be carried through, because the local people will be able to do the work very well.

Mr. LAW: If an arrangement is made to send sick mariners to a local hospital, is the salary to the medical health officer continued?

Mr. HAZEN: No. I will not say that there may not be exceptions to that rule. In a case where a hospital has been but recently taken over, the salary may continue for a short time, but the rule is that when a hospital is taken over the salary to the port physician ceases, because there is nothing for him to do.

Steamboat inspection, $83,265.

Mr. NESBITT: What was the cost of this service last year?

Mr. HAZEN: This is one of the few items in respect of which there is an increase. Inspectors' salaries will amount to $55,800, allowing for increases for the present inspectors and for salaries for other new inspectors whom it is necessary to appoint. One additional inspector has been appointed in Edmonton. The importance of this was urged upon me by the hon. member for Edmonton. There was no inspection of hulls in that district, and, as an inspector had to be sent a distance to make inspections there, a great deal of inconvenience resulted. The new inspector in that district is Mr. J. D. Matthews. The department has been giving some consideration to the necessity of appointing a hull inspector at Vancouver, where there is none at present. The remaining amendment is to cover travelling expenses and so on. This includes travelling expenses of the inspectors, Mr. Ferguson, who is chief inspector, Mr. Duguid, naval architect, and Mr. McDonald, together with the travelling expenses of customs officers who from time to time assist us in this work. Salaries and inspectors, $48,850; travelling expenses of inspectors at $50 a month, 25 men, $15,000; Mr. Ferguson, estimated, $800; Mr. Duguid, estimated, $1,000; Mr. McDonald, estimated, $100; customs officers, $250. Adding 5 per cent for legal and other incidental expenses, we have the total of $83,265. The increases are in consequence of the addition of a new inspection district at Edmonton, and the appointment of an inspector at the port of Vancouver.

Mr. DOUGLAS: What salary does the inspector at Edmonton receive?

Mr. HAZEN: He was appointed at a salary of $1,500 and travelling expenses.

Mr. DOUGLAS: Does his district extend up the McKenzie river?

Mr. HAZEN: Yes, it takes in the Great Slave lake district.

Salaries and disbursements of fishery officers, including the expenses of the Fisheries Advisory Board, and an allowance of $300 to W. J. E. Casey, secretary thereof, $305,000.

Mr. A. K. MACLEAN: I would suggest to the minister the advisability of postponing consideration of the fishery Estimates, as the hon. member for Guysborough (Mr. Sinclair) is not here.

Mr. HAZEN: We might pass some of these items on the understanding that when these Estimates come up again any question respecting fisheries can then be discussed.

The increase here of $15,000 is due mainly to the fact that we expect to take over the administration of the fisheries in the tidal waters of Quebec west of Point Des Monts. It may be that we shall not take them over this year. The question of control of fisheries in tidal waters has been a vexed question for years. We made an arrangement, pending a legal decision, by which we would take control west of Point Des Monts. The case was referred to the Privy Council by a case agreed upon by the Dominion of Canada and the Government of British Columbia, and most of the other provinces intervened. Judgment was given by the Supreme Court of Canada; the case went to the Privy Council and the judgment there was in favour of the contention of the Federal government that there was a public right of fisheries

in the tidal waters and there being a public right of fisheries control was in the Federal Parliament. That is disputed by the province of Quebec. The province of Quebec claims that it is in a different position from the other provinces, that Magna Charta, under which this right of fisheries exists, does not apply and is not in force in Quebec. We gave notice that we would administer the fisheries and issue licenses; Quebec has done the same thing. We have had correspondence with Quebec and have suggested that, as apparently they are acting in good faith and we are acting in good faith another case should be taken for the consideration of the Supreme Court of Canada and then for the Privy Council. They have not agreed to that. Negotiations or correspondence is taking place now between the Minister of Justice of Canada and the Attorney General of Quebec, and I think some arrangement will probably be come to under which the question will be brought before the court for final settlement. It may therefore be that for the coming season we shall not attempt to enforce our rights but shall let matters remain in statu quo.

Mr. KYTE: Are these fishery officers in all cases the persons who collect the claims for fishing bounties and pay out the bounties to fishermen?

Mr. HAZEN: In nearly all cases they are.

Mr. LAW: Referring to a return laid on the table of the House with reference to a motion of mine as to the salary paid to Ward Fisher, Inspector of Fisheries in Shelburne, I find that in 1912 his disbursements were $338.40. That is for six months. But in 1913 they went up to the magnificent sum of $1,009.84. Have the department any control over the disbursements or can the inspector charge what he desires? It looks to me as if $1,009 for one year was a very large sum indeed. In addition to that he charges expenses in coming to Ottawa to assist the Shellfish Commission $113.70. He must have come up in a private car and gone back in the same way to run up such a bill coming from Shelburne here. In addition to that he paid a stenographer $58, which made $2,384.76 for one year. I say that amount is ridiculous and absurd, and it is taking money out of the pockets of the people, to which this gentleman is not entitled. Disbursements are larger than they have ever before been for the occupant of this office. The Government, in their kindness of heart and from the fulness of the treasury, are paying this man in war time double the salary paid to his predecessor. I think it is time this gentleman came down to a salary such as others in the country have to live on.

Mr. HAZEN: Ward Fisher is, I am informed, a very competent and first-class man, and is doing first-class work. I do not think I ever met him personally, but I am told he is giving full return for every dollar he is receiving. Of course, an inspector who does not inspect is no good, and an inspector who does not travel about cannot do very much. An energetic man who gives the necessary time to his duties will have a larger expense account than a man who performs his duties in a perfunctory way. All accounts have to be accompanied by vouchers, for instance, a man furnishes vouchers for his hotel bills. When the accounts are furnished they are gone over by the accountant of the department, checked up and verified before being paid. As to the bill of expenses coming to Ottawa, he came here at the request of the Shellfish Commission and they kept him here for a considerable length of time. The vouchers for travelling expenses would all pass under the eye of the accountant, and would not be passed unless they were correct. When the return for which my hon. friend has moved comes down, and we are getting it ready, he will be able to get the information more in detail than I can give him.

Mr. LAW: Why does the inspector need a stenographer?

Mr. HAZEN: He has a very large amount of correspondence, especially with his department, and has a great many reports to make on license and other matters. I do not think it is unfair to allow him a moderate sum for a stenographer. The salary he receives himself is only $1,300, which in this age and generation is not a large salary for a competent man filling an important position.

Mr. A. W. CHISHOLM: Do they all get the same allowance?

Mr. HAZEN: It varies with the work of the district. The fishery inspector on the river St. John gets $700, I think; and Mr. Morrison, the fishery inspector for northern New Brunswick, including the counties of Restigouche, Gloucester, Northumberland, Kent, Westmorland and Albert, gets $2,000, but no allowance for a stenographer. I

think that is by long odds the heaviest district in the maritime provinces.

Mr. LAW: I understand then that he is getting $100 more than was put down in the answer to this question?

Mr. HAZEN: There is a schedule of wages. The inspectors start at a certain figure and get a yearly increase of $100 up to $1,500, which is the maximum; so that extra $100 is accounted for by the yearly increase.

Mr. LAW: He started with $600 more than the old inspector, and he gets an increase of $100 a year up to $1,500. His salary then in a few years will be two and a half times more than the salary of any other inspector.

Mr. HAZEN: My fishery officers tell me that it was the old inspector's fault. Before I came into office he was suspended for not attending to his duties. He would not carry out his instructions or do his work. He was getting all he was worth and more.

Mr. LAW: You would not expect him to do for $600 what another man would do for $1,200. This gentleman with double the salary can afford to do the work very much better.

Mr. KYTE: Do all fishery inspectors get an allowance for a stenographer?

Mr. HAZEN: They all get an allowance except Mr. Donald Morrison, and I think Mr. Harrison.

Mr. KYTE: Is there an allowance in Cape Breton?

Mr. HAZEN: Yes.

Mr. COPP: I am afraid Mr. Morrison will be asking for an allowance now for a stenographer.

Mr. HAZEN: Yes, I am afraid this discussion will put him on the qui vive.

Mr. KYTE: He is on the right side of politics, and will no doubt get one.

Mr. PUGSLEY: He is getting about the highest salary of them all.

Mr. HAZEN: He has the largest district in the maritime provinces, and devotes his whole time to it.

Mr. COPP: I presume that he has under him a large number of what we call local inspectors?

Mr. HAZEN: Overseers, they are all included in this.

[Mr. Hazen.]

Mr. COPP: As I understand it, the overseers in my district get a salary of $150.

Mr. HAZEN: The pay is very small.

Mr. COPP: And they are allowed so much for travelling expenses. I would suggest to the minister that it might be better to give them a bigger salary, and cut out the travelling expenses.

Mr. HAZEN: There is this about it. If you pay an inspector a lump salary there is no incentive for that man to travel around and see that the regulations are being enforced in different parts of the district, whereas if he is allowed a reasonable compensation for travelling expenses he is much more likely to see that the work is properly done.

Mr. COPP: I know my own district very well, and it is very easy down there to drive 20 miles in order to reach a place only 10 miles distant.

Mr. HAZEN: They ought to play the game.

Mr. COPP: I do not say they do that, but it might be done.

Mr. KYTE: Can the minister inform us as to the increases in salaries of fishery officers since 1911?

Mr. HAZEN: Inspector Calder is in charge of the Charlottetown officials and of the eastern part of St. John county and of the Isles of Grand Manan. He was getting $1,100 in 1911, and has had a yearly increase of $100 since, so that brings him up to about $1,400 this coming year; the same applies to Mr. Matheson of Charlottetown. Mr. Harrison, whose district is a small one, is getting the same pay as in 1911, $700.

Mr. KYTE: Unfortunately he is not a supporter of the present Government. That accounts for the fact that the fairy godmother has not visited him.

Mr. HAZEN: Let me say that Mr. Harrison was a candidate against me on two occasions in the county of Sunbury. On one of those occasions he was fishery inspector and resigned his office to run against me, but immediately he was defeated he was reappointed fishery inspector.

Mr. PUGSLEY: That was a great many years ago.

Mr. HAZEN: I do not think I have shown very much revenge considering that he is still a fishery officer. I do not think that my hon. friend would suggest that he has

not been treated with a fair degree of consideration.

Mr. PUGSLEY: Was not that in local politics, and was not one of the most prominent members of my hon. friend's Government a prominent Liberal, and was not that Administration alleged to be a coalition government?

Mr. HAZEN: What has that got to do with the fact that he ran against me?

Mr. PUGSLEY: It would afford no excuse for my hon. friend, when he comes to Ottawa as Minister of Marine and Fisheries in a Conservative Government, to dismiss Mr. Harrison because he ran in a provincial election.

Mr. HAZEN: I will only quote the words of my hon. friend's leader, who laid it down as a principle, that if a man took an active part in either Dominion or local politics, he could not find fault if he was removed from office. It was on that occasion that my right hon. friend said: "We feel that if a man wants to be a politician we ought to give him every opportunity to be one."

Mr. PUGSLEY: He is a good man at any rate.

Mr. HAZEN: Oh, I think he is perhaps a fairly good man. To return to the fishery inspectors. Mr. Hockin, who has been inspector in Pictou a great many years, was getting either $900 or $1,000 in 1911, and is now getting $1,300.

Mr. KYTE: What about Mr. MacLeod of Cape Breton?

Mr. HAZEN: Mr. MacLeod is now getting $1,300, so my hon. friend will see the salaries are pretty uniform.

Mr. KYTE: Are these increases provided by statute or by the recommendation of the department?

Mr. HAZEN: There has been an Order in Council passed providing for the increases. I found it almost unbearable to have people getting their friends to write in order to get increases in their salaries and so on. I felt that there should be some principle, or method, that would be uniform, and I got an Order in Council passed providing that these men should get an increase of $100 a year up to $1,500.

Mr. DOUGLAS: What salary does Mr. Wood get in the northern Alberta district?

Mr. HAZEN: Mr. Wood is a fishery overseer, not a fishery inspector; he gets $500.

Mr. KYTE: Has there been any increase in the salaries of fishery overseers in Nova Scotia in the last two years?

Mr. HAZEN: In western Nova Scotia there was a reorganization last year. We gave the overseers more pay, with no allowances.

Mr. KYTE: What are the salaries at present?

Mr. HAZEN: In Annapolis county, W. Purdy, Deep Brook, $700; Digby, W. Aymar, $500; G. E. Torrie, $700; Kings county, E. F. Reid, $200; Lunenburg, A. J. Evans, $200; Queens county, Charles Young, $700; Shelburne county, George Walls, $750; Yarmouth county, J. B. d'Entremont, $800.

Mr. KYTE: I did not hear the minister name the officers in Richmond.

Mr. HAZEN: Western Nova Scotia is where we have had the reorganization. We hope to follow that up with a further reorganization in other parts of Nova Scotia.

Mr. KYTE: Do the fishery overseers in eastern Nova Scotia remain as they were?

Mr. HAZEN: Yes.

Mr. LAW: I would like to know about the fishery guardians.

Mr. A. W. CHISHOLM: What are the duties of one Cameron who was appointed to assist Mr. McLellan in Inverness county?

Mr. HAZEN: I think he is a fishery guardian.

Mr. CHISHOLM: I understand that Cameron is doing a part of the work that Mr. McLellan used to do.

Mr. HAZEN: Guardians' duties are to assist the overseers.

Mr. CHISHOLM: But these are not guardians.

Mr. HAZEN: Cameron is a guardian.

Mr. CHISHOLM: Where does he operate?

Mr. HAZEN: I have a list of overseers in Nova Scotia, and I have a list of overseers in Inverness county, and Cameron's name does not appear among them; so that if he is a fishery officer, he must be a guardian.

Mr. CHISHOLM: That is what I want to find out. It appears that McLellan was the overseer.

Mr. HAZEN: McLellan is the overseer.

Mr. CHISHOLM: Yes, John B. McLellan. I understand that some of Mr. McLellan's duties were taken away from him and that Mr. Cameron was appointed to do this work.

Mr. HAZEN: I should not think that very much of his duties would be taken away from him, because I see that he only gets $50 a year.

Mr. CHISHOLM: That is at present, but what was it before the change was made?

Mr. HAZEN: I think it is the same. Cameron is not an overseer. His name does not appear in the list, and therefore he must be a fishery guardian.

Mr. CHISHOLM: Cameron is doing some of McLellan's work; he is not a guardian.

Mr. HAZEN: From the information I have before me I am satisfied that he is not an overseer. I have not the list of guardians here, but if my hon. friend will come to my department and see Mr. Found, he will get all the information.

Mr. LAW: Has the minister the list of guardians in Yarmouth county?

Mr. HAZEN: No; I have not the guardians; I have the overseers.

Mr. TURGEON: Would the minister kindly give the salaries of the overseers in Gloucester county?

Mr. HAZEN: Gloucester county: Edmund Arseneau, Inkerman, $140; E. Sewell, Pokemouche, $140; Thomas Canty, Bathurst, $200; J. P. Doucet, Petit Rocher, $200.

Mr. KYTE: Will the minister be good enough to let me have a list of the overseers in the county of Richmond before the items come up in committee again?

Mr. HAZEN: Yes, I will have one sent to the hon. gentleman.

Mr. LAW: And of Yarmouth, too?

Mr. HAZEN: Yes.

Mr. A. W. CHISHOLM: Will this be a list for the coming year or for last year?

Mr. HAZEN: As it is at the present time.

Mr. CHISHOLM: Does the department make it imperative for the overseers to send in the names of the guardians early in the season, or is there any fixed time?

Mr. HAZEN: The same method is now adopted as that which has been in force almost since the department began.

Mr. A. K. MACLEAN: They are appointed annually?

[Mr. Hazen.]

Mr. HAZEN: Yes.

Mr. CHISHOLM: If the Minister has a list of guardians for Inverness
10 p.m. county for the year 1915, will he be good enough to send it to me?

Mr. HAZEN: Yes, as soon as it is completed I will send it to my hon. friend.

Mr. COPP: What salary is Mr. Chapman getting?

Mr. HAZEN: Mr. Chapman is getting $700 a year.

Mr. COPP: I understand that is his retiring allowance.

Mr. HAZEN: It is not a retiring allowance; he is acting in an advisory capacity.

Mr. COPP: What was his regular salary before that?

Mr. HAZEN: $1,300 or $1,400 a year.

Mr. COPP: And the present incumbent is getting $2,000.

Mr. HAZEN: Mr. Chapman was advanced in years, and I had him appointed at $700 a year in an advisory capacity. I think my hon. friend approved of it.

Mr. A. K. MACLEAN: Would the minister send me a list of the guardians in Halifax county?

Mr. HAZEN: Yes.

Building fishways and clearing rivers, $30,000.

Mr. HAZEN: In 1913-14 the expenditures under this item were $12,341. In 1914-15, up to December 31, they were $8,837. The largest expenditures are usually in British Columbia where, owing to the nature of the country, jams form in the important fishery rivers from time to time which have to be removed, frequently at considerable expense. The natural obstructions, such as falls, may sometimes be removed, affording access for the fish to important spawning grounds.

Canadian Fisheries Museum, $8,000.

Mr. HAZEN: I wish hon. gentlemen who are interested in fisheries would, if they have not already done so, visit the Museum, as I believe there is something to interest them there.

Mr. LAW: There is a reduction of $8,000 in this vote.

Mr. HAZEN: We have been getting the Museum established for some years, and now we are clear of that expense, so that we can reduce the rate by one-half.

Mr. MURPHY: What officials are employed there?

Mr. HAZEN: There is Mr. Halkett, who is a scientist and a man of high standing as a biologist, and there are also Mr. Rochon, Mr. Grignon and Mr. Rice.

Oyster culture, $6,000.

Mr. A. W. CHISHOLM: What is this for?

Mr. HAZEN: The department has had for some years the services of Mr. Kemp, who is an expert in oyster culture, and during the present year much of the time has been spent in endeavouring to rid the beds in Richmond bay, Prince Edward Island, of star-fish. Mr. Kemp also gives advice and instruction to those who are taking up oyster culture. In view of the uncertainty as to the ownership of the barren bottoms suitable for oyster culture, for many years after the Privy Council's decision nothing was done as neither the Federal nor the Provincial Government felt in a position to grant leases of these areas. Following our amendment to the Fisheries Act in 1912, agreements were entered into with the provincial governments of the three maritime provinces, and in Prince Edward Island and New Brunswick considerable progress has been made in building up an industry in oyster culture and cultivation. The star-fish in Richmond bay are proving a great enemy to the oyster, and as everything has an enemy it is said that the enemy of the star-fish is the lobster, and that the reason the star-fish are doing more harm than formerly is because there are not so many lobsters. Steps are being taken to try to get rid of the star fish in Richmond bay. As my hon. friend (Mr. J. J. Hughes) knows, in his own province and in the counties of Kent, Westmorland the barren bottoms have been planted on quite a large scale, and I think the experiment will be successful as was the case in Rhode Island where the oyster beds were depleted to a great extent and are now being renewed.

Mr. COPP: This vote is not all for Mr. Kemp's salary.

Mr. HAZEN: Mr. Kemp's salary is less than $2,000, but he has travelling expenses and the maintenance of a boat has to be provided for.

Mr. MACDONALD: How is the oyster bed in Caribou harbour progressing?

Mr. HAZEN: I think that is being attended by the government of Nova Scotia.

Mr. MACDONALD: The deputy minister will recall that some four or five years ago the oyster expert of the Dominion Government set out a bed in Caribou harbour; is there any report as to that?

Mr. HAZEN: I am informed that five or six years ago there was a bed planted there, and it has been carefully looked after, and is doing very well.

Mr. MACDONALD: I would be obliged if the deputy minister would send me the last report on it.

Mr. HAZEN: That will be done.

Mr. J. J. HUGHES: Does Mr. Kemp hire a boat?

Mr. HAZEN: No, he uses a Government boat called the Ostrea.

To pay customs officers for service in connection with issuing modus vivendi licenses, $900.

Mr. KYTE: How is this amount appropriated to the different customs officers?

Mr. HAZEN: The modus vivendi license, which amounts to $1.50 per registered ton, is issued by the customs officers, and we pay them a commission of five per cent.

Mr. A. K. MACLEAN: Has the minister ever taken into consideration the question of reducing the modus vivendi license fee to a nominal sum? I have no definite views upon the matter, but I know that the opinion has been frequently expressed that now inasmuch as Canadian fish have largely free entry into American ports, the modus vivendi license fee should be reduced to a nominal sum. I think it is worth considering, and I would ask the minister if representations have been made to him in respect to this matter. I did not know until lately that the department refuses to issue licenses to American fishing vessels propelled by gasoline. I am informed that it is claimed by the department that the provisions of the Treaty of 1818 preclude the issuing of licenses to that class of fishing craft. I would hardly think it proper to refuse a modus vivendi license to American vessels just because they are propelled by some power other than sail. In some of the southwestern counties of Nova Scotia there is a great deal of opposition to the policy of not issuing licenses to that class of fishing vessels, thus preventing them coming to Nova Scotian ports at a considerable loss to the ports.

Mr. HAZEN: There are a good many phases of this question that have required

a good deal of consideration, and that will do so in the future. Referring to the question that my hon. friend brought up as to the manner in which the boats are propelled during the time that Mr. Prefontaine was Minister of Marine and Fisheries, in 1904, the question was raised with regard to the modus vivendi and as to what classes of vessels it applied. At that time an Order in Council was passed declaring in most unmistakable terms that the modus vivendi only applied to boats that were propelled by sail. That Order in Council is on the records of Council now, and has never been changed. I believe the ground taken was that at the time the Act authorizing the modus vivendi for the issuing of licenses was passed by this Parliament in 1888, the only vessels engaged in the fishing trade were vessels that were propelled by sail, and the legislation had reference to the conditions in 1888. When Mr. Prefontaine was Minister of Marine and Fisheries in 1904, that idea was embodied in the Order in Council to which I have referred. It was about 1904 when gasoline motor power as an auxiliary power began to be used in those vessels, and it was to meet that case that the Order in Council was passed. With regard to the whole question, there is a very divided opinion in Nova Scotia, which is practically the only province affected by this modus vivendi. Some people who take an interest in the fisheries in Nova Scotia say that they do not think this modus vivendi should be renewed from year to year. Others who take an equal interest in fishery matters, as my hon. friend to-night, think it would be well if the modus vivendi were reduced to a nominal sum instead of $1.50 on each ton of the registered tonnage of the vessels. Some say that the modus vivendi might as well be repealed. At the present time we have free admission of fish into the American market, but we do not know how long that will last.

Mr. A. K. MACLEAN: It would be a mistake to repeal the modus vivendi.

Mr. HAZEN: Yes. There may be a change of Government in the United States, and the Republican party may come back to power. They might reimpose the duties on fish going into the United States. While we have the free admission of fish into the United States, our fishing boats cannot take their fish there and sell them. They have to transfer the fish to some mercantile boats. Take a boat that is going out from Lunenburg or Canso or any town in Nova Scotia, which has a cargo of fish. If she takes the fish to an American port and tries to sell them, she will not be allowed to do so. The fish must be in a vessel engaged in the mercantile business. If an American fisherman comes into one of our ports under the modus vivendi, he is allowed to clear to the shipping grounds. If a Nova Scotia boat goes across to Boston or any other port in the United States and wants to get away, she cannot clear for the fishing grounds; she has first to clear for some port in Canada and them clear from there to the fishing grounds. Therefore we are not on an equal basis with the United States, as we are giving them certain benefits under the modus vivendi which they are not allowing us. Under those circumstances, and in view of the fact that we do not know what the future may hold for us, I do not think it would be well for us to repeal the modus vivendi. There are places in Nova Scotia where years ago the people would have been glad to see the modus vivendi repealed; but they would not like to see it repealed to-day, although they would like to have a nominal fee imposed. This matter requires very careful consideration. Hon. gentlemen know the history of the modus vivendi, how it was expected that the Washington treaty would be confirmed under which we were to get free admission of our fish into the United States on the condition that we would give the same rights to our ports for United States fishing vessels that were enjoyed by our own people. There was a delay in the Washington treaty being confirmed on account of the general election that was approaching, and therefore the modus vivendi was passed under which fishing vessels of the United States were allowed, on payment of $1.50 a ton, to come into Canadian ports for the purpose of landing crews and transhipping their fish; whereas without that agreement they had only the privilege under the treaty of 1818 which gave the American vessels the right to come into Canadian ports for four purposes, namely, for wood, shelter, repairs and water, and for no other purpose whatever. Under the modus vivendi they have practically all the privileges of our own fishermen. Different views may be taken about the question, and I do not think anything should be done in a hurry under present conditions.

Mr. A. K. MACLEAN: At the last general election, some of the hon. gentlemen opposite, particularly from Nova Scotia, raised the issue to which the minister has just referred, namely, the inability of Canadian fishing vessels to proceed from the fishing grounds to United States ports. There may be some disabilities of that nature, but I do not think it is a settled matter.

Mr. HAZEN: What I am speaking of is a very recent treasury rule. It was called to my attention within the last two days. We have sent for a copy of it to be certain about the matter.

Mr. MACLEAN: I would suggest this: if the United States market is of any benefit to Canadian fishermen—and I believe it is—then we should do everything in our power to preserve that market. The continuance of the modus vivendi license may be an irritant to those of the United States interested in the fishing business, and it will be used by American interests antagonistic to the present American tariff upon fish products as a ground upon which to urge a change in the present tariff and a reversion to former high tariff duties. If there is a disability against Canadian fishing vessels reporting to American ports directly from the fishing grounds, the minister should take up this matter with the United States Government and there should be some conferences with them upon that subject.

Mr. HAZEN: The total collections amount to less than $10,000.

Mr. MACLEAN: It is not very much, but perhaps a reduction might have the effect of causing the United States to maintain their present tariff on fish. As the minister himself suggested, the United States frequently change their tariffs, and it would be a great loss to Canada if the former tariff rates on fish were restored. As to the prohibition against issuing licenses to fishing vessels propelled by gasoline or other power, I am surprised to learn that there is such an Order in Council in existence. I never heard of it until recently. I do not think it is fair; I think it will operate against our own interests. In counties like Shelburne, Queens, Yarmouth and possibly Digby, this prohibition, I am informed, means a considerable loss of trade to many of the ports in these counties. If sailing vessels are permitted to obtain a license, it seems most illogical to say that vessels propelled by gasoline cannot obtain a similar license. One needs only to state the facts to disclose the absurdity of the position.

Mr. HAZEN: We have had correspondence with the authorities in the United States about this matter, which is really under consideration at the present time. But does my hon. friend think that the question of the American tariff would be very much affected by our action in regard to modus vivendi?

Mr. MACLEAN: The fishery interests in Gloucester and Boston are very powerful.

Mr. HAZEN: The free admission of fish was a provision of the tariff of the Democratic party, which declared in favour of cheaper food for the people of the United States and for the removal of any imposition by way of tax upon it. I doubt very much whether our making a nominal charge would effect the attitude of the people of the United States; I am inclined to think that they would be guided by what they consider to be their own interests in the matter. If they believe that it would be to the advantage of their people to get our fish without the payment of duty, then they will continue the free fish provision. But if, on the other hand, they should think that the free admission of fish interferes with the interests of American fishermen, the chances are that they would put the duty on again. I doubt very much whether any action on our part in respect of a small matter like the modus vivendi license would affect that larger question.

Mr. J. J. HUGHES: Does a license under modus vivendi give the right to land fish and to ship them in bond?

Mr. HAZEN: Yes, to land fish and to ship through Canada to the United States.

To provide for the exhibit of fresh and cured food fish at the Toronto annual exhibition, $15,000.

Mr. HAZEN: The year before last, for the first time, we got an appropriation for the purpose of making an exhibit of fish at the Toronto exhibition, and the exhibit was so successful that we repeated it last year. The directors awarded us a gold medal for our exhibit; they said it was one of the best at the fair. I think that this exhibit at the Toronto exhibition has done a great deal to give the people an idea of the extent of the Canadian fisheries. Fish dealers in Toronto tell me that as a result of the exhibition of fresh and cured fish at the Toronto fair the demand for fish obtained from the Atlantic and Pacific provinces was very considerably increased. The

directors are most anxious that we should continue the exhibit, and I believe that it is in the interests of the country that we should do so.

Mr. A. K. MACLEAN: How do you spend $15,000 on that?

Mr. HAZEN: We did not spend that amount. In the first year we spent $9,700 and since that $7,600. We had the idea last year that we might operate a restaurant where people could obtain fresh fish each day. We could not work the idea out, however; it was difficult to get a staff to take charge, and other obstacles presented themselves. I do not know whether or not we can do it this year, but the larger amount would enable us to carry out that idea. I was at the Toronto exhibition last year for the first time, and I was surprised at its extent; undoubtedly it is the largest annual affair on the continent of America. Each day they have a luncheon, which is attended by several hundred persons and at which addresses are given on various subjects. They have an agricultural day, an educational day and so on; I suggested to the president that they should have a fish day. I observe that this year they are announcing a fish day, and at the luncheon addresses will be delivered dealing with our fisheries, the advantage of fish as a food, and so on. All these things help to make the people understand the value of our Canadian fisheries.

Mr. J. J. HUGHES: A great deal would depend upon the manner in which the fish is prepared. In Ottawa it is almost impossible to get fish properly prepared.

Mr. HAZEN: They do not know what salt fish is.

Mr. HUGHES: They certainly do not know how to prepare fish for table use.

Mr. MURPHY: Could not that portion of the exhibit which consists of cured fish be preserved from year to year, so that the expenditure under that head would be avoided?

Mr. HAZEN: I think some of it is being preserved.

Salaries, building and maintenance of fish-breeding establishments, $400,000.

Mr. COPP: Are lobster hatcheries included in this item?

Mr. HAZEN: Yes.

Mr. COPP: Has the minister any report from the lobster hatcheries in our province as to whether they are successful or otherwise?

[Mr. Hazen.]

Mr. HAZEN: We get regular reports from all the hatcheries. There is no question as to the success of the salmon and whitefish hatcheries, but the lobster hatcheries have so far been only in the experimental stage. We believe that some advantage is beginning to result from the operations of these hatcheries; I understand that along the Northumberland straits that is the opinion of the fishermen. I do not believe, however, that the fishery experts have learned as yet the proper method of putting these lobsters into the water in such manner as to prevent large numbers of them from being destroyed. The Biological Board of Canada is experimenting at the lobster pond at Digby with a view to overcoming this difficulty. Generally speaking, however, I think that results are beginning to show from the lobster hatcheries.

Inspection of canned and pickled fish, $25,000.

Mr. KYTE: Is this to be expended under the Act passed last year?

Mr. HAZEN: Yes.

Mr. KYTE: Would the minister allow that to stand? It is a new and rather important item, upon which there will be considerable discussion when other hon. gentlemen are present.

Mr. HAZEN: We might pass it on the understanding that it may be discussed on another occasion under any other item.

Mr. KYTE: I see that the amount provided in 1914-15 was $50,000, and that the amount for 1915-16 is $25,000. Does that mean that more than $25,000 was spent in 1914-15?

Mr. HAZEN: No, we spent only about $3,000. We estimated too much last year, the reason being that we took over from the Department of Agriculture the administration of the Meat and Canned Foods Act, so far as it relates to canned fish. At the time the Estimates were prepared last year it was thought it might be necessary to have a separate set of officers to carry out the provisions of that Act, but we found that on the Atlantic coast it would be sufficient to confine the inspection to factories, and the existing staff were able to carry out the inspection. We are getting our inspectors appointed, and some of them have been meeting the fishermen, instructing them about barrels, etc.

Mr. KYTE: Have any officers been appointed in Nova Scotia to carry out the Act?

Mr. HAZEN: Some have been appointed. There are six districts for the purpose of this Act. District No. 1 includes the Gaspé peninsula and other parts of the Gulf coast of Quebec. No inspector for that district has been appointed. District No. 2 comprises the country from Restigouche county to Kent county, inclusive, in New Brunswick. An inspector has been appointed for that district, Mr. Colson Hubbard. District No. 3 comprises Prince Edward island, the Magdalen island and the counties of Pictou, Colchester and Cumberland. No inspector has yet been appointed for that district. District No. 4 comprises Cape Breton island. An inspector has been appointed for that district, Mr. Herbert Mann.

Mr. KYTE: What is the salary ?

Mr. HAZEN: $1,200.

Mr. KYTE: And have they an allowance for travelling expenses ?

Mr. HAZEN: Travelling expenses will be paid. District No. 5 is from Antigonish to Yarmouth county. Mr. Hilts has been appointed for that district. District No. 6 comprises the Bay of Fundy, counties of New Brunswick and Nova Scotia, including Charlotte county, St. John county, Albert county and Westmorland county in New Brunswick, and Pictou and Hants in Nova Scotia. The inspector appointed for that district is Mr. A. O. Havelock Wilson.

Mr. KYTE: How many local inspectors will there be ?

Mr. HAZEN: There will be only the six district inspectors.

Mr. KYTE: Will there be any other salaried officers to carry out the law ? Will one inspector be able to carry out the inspection for the four counties in Cape Breton ?

Mr. HAZEN: The inspector will go to any point where he is required to inspect fish and see that they are packed and in proper condition and in proper barrels. If they are, he places the prescribed mark upon them, showing that they are properly packed.

Mr. KYTE: Suppose that half a dozen fishermen at one point wish to have fish inspected one week and the following week half a dozen others in the same place. Would the inspector have to make two visits ?

Mr. HAZEN: He would have to go back, but we naturally suppose that fishermen wanting to have fish inspected would try to arrange to have one visit cover them all. Of course we want to do what is convenient for the fishermen.

Mr. KYTE: Is it possible for all fishermen in a district to have their fish ready for inspection at the same time ?

Mr. HAZEN: These are pickled fish and could wait for a while.

Mr. KYTE: I am afraid the minister will discover after a time that it will be impossible to carry out the intention of the Act with only one inspector for each group.

Mr. HAZEN: If more are required, I suppose we will have to get them, but we are simply starting the system and we will have to feel our way with it. The Act is not compulsory. By the end of another year we shall have a better knowledge of what is required.

Mr. KYTE: I hope the minister is appointing competent inspectors. Who are Mr. Mann and Mr. Hilts, and what are their occupations?

Mr. DUGALD STEWART: Mr. Hilts belongs to Mahone bay in Lunenburg county. He has been foreman for a large fishing firm and is an expert in the business.

Mr. KYTE: Who is Mr. Herbert Mann?

Mr. HAZEN: I have not the recommendations here, but on asking his qualifications we found that they were quite right. The qualifications laid down were that they should be healthy, accurate, strictly temperate, and, if possible, not more than 40 years of age; they should possess a reasonably good education, be capable of intelligently imparting instruction to fishermen and packers and have been directly engaged in the fishing business and have special knowledge of the curing of mackerel and herring. The general inspector is to be an expert in fishery matters, and have a knowledge of barrel making. Each inspector gets $1,200. In district No. 2 it was necessary to have an inspector who could speak the two languages. Mr. Havelock Wilson of St. John has been engaged in the fishing business all his life; he is a very intelligent man, of good education, respectable in every way, and with a thorough knowledge of the fishing business. Mr. Colson Hubbard carried on the fishing business in Gloucester county for a number of years, and is also very familiar with all the details of the business, and speaks French as well as English.

Mr. KYTE: Does the minister happen to know where Mr. Mann, the inspector for Cape Breton, lives?

Mr. HAZEN: I am informed that he is from Sydney.

Mr. KYTE: Sydney would be rather an unexpected place to find a gentleman with these qualifications, because there is no one in the fishing business there.

Mr. J. J. HUGHES: How many inspectors are there for Prince Edward Island?

Mr. HAZEN: I explained that there is one inspector for district No. 3, which includes the Island and the counties of Pictou, Colchester and Cumberland.

Mr. HUGHES: Is that district not too large?

Mr. HAZEN: No, I think the division of districts is pretty good.

Mr. A. K. MACLEAN: Do you permit the inspectors to engage in any other occupation?

Mr. HAZEN: No, we expect them to give all of their time to this work.

Mr. MACLEAN: I hope that all the appointments made will come up to the standard fixed by the department. I think there should be a very high standard for such officers. These men have the opportunity of doing an educative work among the people whose fishery products they inspect. I think it is desirable that they should be well educated. I hope the minister will see that those who are appointed do not treat their appointment merely as a way of getting a living. They should be interested in their work, because if they are competent men they can do a great service to the State.

To provide for the building of fisheries patrol boats, $32,000.

Mr. HAZEN: This is to provide a new boat for the Magdalen islands. The Semiahamo, the old patrol boat, has been condemned by the inspector. These boats will be gasoline.

To provide for a fisheries patrol steamer for Lake Winnipeg, $100,000.

Mr. MURPHY: This is a pretty expensive boat.

Mr. HAZEN: We asked for tenders for the construction of that boat, but not a single firm in Canada tendered. The difficulty was that the boat was for lake Winnipeg, and would have to be assembled out there. As not a single firm tendered, we are building the boat ourselves at Sorel, and it will be sent out there to be assembled. I do not think the cost is excessive, considering the locality and the difficulties of the situation. The fisheries of lake Winnipeg are getting more and more important all the time, and so is the general commerce of the lake. There was an old boat there called the Lady of the Lake, but it is now obsolete. Hon. gentlemen may be interested to know that the name of the new boat is the George H. Bradbury.

To provide for an investigation into the fisheries of Hudson bay, $10,000.

Mr. A. K. MACLEAN: Why does not the minister take that out and relieve the Finance Minister to that extent? It is no good.

Mr. HAZEN: The hon. member will remember that two years ago there was a discussion in the House as to the necessity of our getting information with regard to the fisheries of Hudson bay. I think my hon. friend from Edmonton is quite interested in the matter. Last year we started to get information, and we had a vote in the Estimates for $15,000, of which we have spent $13,109. We have sent out three expeditions, two of them overland. The two overland expeditions confined their attention to James bay and the tributary waters. The report of each of these expeditions has been published and laid on the table of the House. Not much information has been secured regarding the fisheries of the bay proper, the main attention having been given to the rivers flowing into the bay. There is some reason to believe that valuable fisheries exist in Hudson Bay waters, and we think it wise to continue the investigation.

Mr. A. K. MACLEAN: When I suggested that the amount be struck out I did not know that you were doing any work. I think that about two years ago the Government sent a special person to Hudson bay to investigate the fishery resources, but while he drew his salary he never gave us any information; in fact I do not think he carried on any investigation at all.

Mr. HAZEN: That was Professor McCarthy, of King's College, Windsor. He had no opportunity of acquiring information considering the conditions.

Mr. MURPHY: This amount will enable the Government to complete the investigation?

Department of the Interior—Immigration—Seed grain to settlers on patented and unpatented lands in the provinces of Saskatchewan and Alberta—further amount required, including Governor General's warrants for $3,640,007.20, $8,159,958.25.

Mr. MURPHY: It is quite possible that the hon. member for Edmonton (Mr. Oliver) may wish to discuss this. I have no objection to the item going through, provided that my hon. friend agrees to let us discuss it later.

Mr. ROCHE: On Monday I am introducing a resolution, upon which a Bill will be founded to legalize the arrangement we have made with various provinces, and any discussion could take place on the resolution or on the Bill.

Mr. MURPHY: Or on some other item.

Mr. ROCHE: Yes. We are anxious to get this through to-night because many of the merchants are waiting to be paid for the relief supplied.

Mr. DOUGLAS: Was any time limit set within which applications for seed grain had to be made?

Mr. ROCHE: I gave that information yesterday across the floor of the House in answer to a question from the hon. member for Regina. Applications closed as far as the drouth-stricken area was concerned, on January 31. Applications for the district outside of the drouth-stricken area, but in which the farmers were similarly situated, were received up to February 20. In other portions of the province applications were received up to March 10. That was the last day on which we received applications.

Mr. DOUGLAS: Is that a hard and fast rule? For instance, if a settler in the drouth-stricken area did not know that the distribution closed on January 31, would he be denied the seed if he applied at a later date?

Mr. ROCHE: The hon. member will recognize that we had to fix some date in which applications were to be received; otherwise we should not have known what quantity of grain to purchase, and it takes considerable time to purchase grain and have it put through the elevator, cleaned, bagged, and distributed. We circularized those in the drouth-stricken area, both through the press and by circular, notifying them of the date by which applications had to be in, and I am sure that those within that area had ample time in which to make application; and the best evidence of that is the fact that we have accepted 48,000 applications. Several thousands more have been received, but rejected.

Mr. DOUGLAS: I have a letter making a complaint in regard to another man in connection with this seed grain distribution. This man writes that he had his application accepted for seed grain and that he was afterwards notified by Mr. Bruce Walker that owing to the statement that he did not have eighty acres of land under cultivation he could not be given the necessary grain to seed this land. In the letter which I have before me he states that he has eighty acres of land ready for cultivation. Mr. Walker writes as follows:

Winnipeg, Man., Feb. 9, 1915.

Sir,—Further to your application for an advance of seed grain, I here notify you that your application for an advance of seed grain has been cancelled as I have been informed that you have not 80 acres under cultivation and that your land is not in fit shape to receive seed.

Kindly destroy the notice sent you that your application had been approved.

(Sgd.) J. Bruce Walker,
Commissioner.

This man had had his application approved by Mr. Walker, and then, on account of Mr. Walker's claiming that his land was apparently not fit for seed, his application was cancelled and he was notified accordingly. I would like to know how Mr. Walker knew that he had not eighty acres under cultivation or that the land which he had under cultivation was not fit to receive seed?

Mr. ROCHE: Is this in the drouth-stricken area?

Mr. DOUGLAS: Yes.

Mr. ROCHE: You are confident of that?

Mr. DOUGLAS: It is at Bar Hill, Alberta, near Lethbridge.

Mr. ROCHE: The only explanation that I can give is that Mr. Walker, or his officials, were instructed to make an investigation in every case possible and not give seed where the land was not suitable for seeding. We have a great many letters and representations urging us to see that the land is properly prepared for seed and to send out instructors to see that the seed is put in properly. I presume that Mr. Walker had investigated and found out that this man's land was in such a condition that it would be an absolute waste were we to give him the seed. They have been instructed

to investigate as closely as possible in each case.

Mr. DOUGLAS: Has he a special inspector for each case?

Mr. ROCHE: He has a number of officials in each district. The drouth-stricken area was divided into five districts almost according to the boundaries of the land districts, and there was a supervisor placed over each one of these districts. He had a certain number of officials to investigate these cases. The Mounted Police are doing a considerable portion of the work at the present time.

Mr. DOUGLAS: There has been a report in the western papers that the seed which is being provided for distribution
11 p.m. is not clear of noxious weeds. The department is claiming that no land should be put under cultivation that is not fit. I presume that would mean that unfit land would be full of noxious weeds, and yet the statement is made in the public press that the seed contains a considerable quantity of noxious weeds. The statement may not be absolutely true. Has the department taken any steps to see that the grain has been properly cleaned?

Mr. ROCHE: Yes, the seed commissioner of the Department of Agriculture is on the ground looking after that. My hon. friend the Minister of Agriculture (Mr. Burrell) has his representative there and it is his special duty to see that seed is sent out containing no noxious weeds. I have never had a single complaint on that score. I believe they were particularly careful in view of the complaints that were received with regard to the distribution of seed in 1908.

Mr. DOUGLAS: In connection with this complaint, the man who wrote this letter from Bar Hill gives the reason why he was refused this grain. The reason may not appeal to the minister. He claims that he is a Liberal, and that the inspector is not of the Liberal faith. There is a personal grudge between these two men and that is the reason why he was refused the grain.

Mr. ROCHE: I do not take any stock in that.

Mr. DOUGLAS: You would not believe that?

Mr. ROCHE: No, not at all, particularly when Mr. Walker turned down his application.

[Mr. Roche.]

Mr. DOUGLAS: Mr. Walker would only have the report of his own official in that section. The man makes the statement that the land is in the same condition as that of his neighbours and that his neighbours have been getting the seed while he has been denied it. As regards the quantity of land under cultivation he claims that he has eighty acres. Is there a regulation which requires that there shall be a certain amount of land under cultivation?

Mr. ROCHE: There is a maximum quantity of 400 bushels of all kinds of seed grain.

Mr. DOUGLAS: Eighty acres would not require any such amount. Is there a minimum amount of land required to be under cultivation in order to get seed?

Mr. ROCHE: Is it possible that he may have asked for more seed than his land would require. If the hon. gentleman thinks he has a complaint that is well founded, let him give me the facts of the case and I will have it specially investigated. If the case is as represented in these letters there is no reason why he should not be supplied with this seed.

Mr. DOUGLAS: Here is Mr. Walker's statement:

> Your advance has been cancelled as I have been informed that you have not eighty acres under cultivation and that your land is not in fit shape.

Mr. PUGSLEY: It is extraordinary to compel a man to have eighty acres in order to get seed.

Mr. ROCHE: It is possible that he may have reported that he had eighty acres ready for seed and it may have been found that this was a misrepresentation. That may have called forth the letter from Mr. Walker.

Mr. DOUGLAS: This man writes that he has twenty acres fall ploughed which he intends to put in wheat and that when he ploughs the rest for oats and flax he will have eighty acres under cultivation in all. The only claim that Mr. Walker can legitimately have against this man is that the land is not fit to receive the seed. The question of the acreage should not enter into the matter at all. If a man asks for seed to sow eighty acres, and if the Government are fully protected by a lien on the man's land, I do not see why Mr. Walker should write telling him that he cannot get the seed. The question is whether this man's land is fit to receive the seed and also whether the inspector of the

department has been fair in stating that the land is not fit for the seed.

Mr. ROCHE: Has the hon. gentleman the original letter of Mr. Walker?

Mr. DOUGLAS: Yes.

Mr. ROCHE: If the hon. gentleman will hand that letter to me I will have the case investigated.

Progress reported.

On motion of Mr. Hazen the House adjourned at 11.25 p. m.

Monday, March 22, 1915.

The House met at Three o'clock, the Speaker in the Chair.

FIRST READINGS.

Bill No. 80, respecting the Pollution of Navigable Waters.—Mr. Bradbury.

Bill No. 81, respecting the Edmonton, Dunvegan and British Columbia Railway Company.—Mr. Green.

DEATH OF COLONEL FARQUHAR.

On the Orders of the Day being called:

Sir ROBERT BORDEN: I would like to communicate to the House the substance of a letter which I received this morning from Colonel Farquhar, of whose death in action we heard last evening. It is with deep and unfeigned sorrow that we have heard the news of his untimely death. He was one of the finest characters I ever knew; and of all the able men who have filled the position of Military Secretary to the Governors General of Canada, I do not know of any one who performed the duties of that responsible position more efficiently, or who more thoroughly endeared himself to the Canadian people, than did Colonel Farquhar. I know that all the hon. members of the House will join with me in an expression of our deep sorrow for the loss which the Empire has sustained in his death, and in a message of sympathy to those whom he has left behind. A few days ago I had a letter from him in the trenches, in which he spoke with very great pride of the bearing of his regiment in the field, and of the fine work which they had done. At that time he said to me that the work had already received the strong commendation of the General Commanding the Division. This morning I received a further letter from him, and, if the House will permit me, I will read a few short extracts from this letter and the telegrams which accompany it. The letter is dated March 4:

> You may like to have a copy of these telegrams. The episode which called them forth was the rushing of a German trench and its subsequent destruction. The enemy had been very active in front of us, and a night reconnaissance made it clear to me that we had an opening. For various reasons, it was inadvisable to occupy the trench, so I got leave to rush it and pull down the parapet. Crabbe and Papineau led the party, the latter being our bomb thrower. They both showed very great dash and ran the Teutons off their legs..... Nothing could have been more spirited than the way the men went in.

The messages which Colonel Farquhar enclosed were as follows:

> From the Irish Fusiliers: "Well done, P.P.C.L.I."
>
> From the Second Army through the Brigade Major of the Fifth Corps: The following message from the Fifth Corps: The corps commander has great pleasure in transmitting to you following message from Second Army: "The army commander wishes you to express to the Princess Patricia's Canadian Light Infantry his appreciation of the grand piece of work performed by them this morning."
>
> From General Plumer: "Please give my heartiest congratulations to the Princess Patricia's Canadian Light Infantry on their gallant and useful exploit."
>
> From the officer commanding the 3rd King's Royal Rifles: "Best congratulations on splendid achievement last night. Please tell us how you do it."
>
> From 1st Canadian Division: "Heartiest congratulations on success last night."
>
> From Sir John French, Commander in Chief: "To Colonel Farquhar, commanding Princess Patricia's Canadian Light Infantry: I heartily congratulate you and your gallant men on your successful operation this morning. Please express to Lieutenant Crabbe and the party he led my great appreciation of their services."
>
> From General Snow: "Well done P.P.C. Congratulations on your splendid work."
>
> From the Twenty-eighth Division through the Brigade Major: "Twenty-eighth Division wire hearty congratulations."

Sir WILFRID LAURIER: The intelligence which has just been conveyed to the House by my right hon. friend the Prime Minister arouses our sorrow and also our pride and gratification that we have this testimony to the good work done by our boys at the front. May I be permitted to say, I was touched to hear the name of Papineau mentioned as among those who have done so well. And the House will be gratified to know that the gentleman who is the bearer of this name is a great-grandson of one who did good work in his day, and in his own way, for freedom in Canada. The words of praise of Col. Farquhar, I am sure, are a deserved tribute. It has been my personal privilege to know a good many

of those who have held the office that he held, and it is due to him to say that in his tact, kindness and good judgment, as well as in his constant desire to do his duty, he was the equal of any of his colleagues.

ROYAL NORTHWEST MOUNTED POLICE —MEMBERS IN ACTIVE SERVICE.

Mr. W. A. BUCHANAN (Medicine Hat): I desire to draw the attention of the Prime Minister to a matter of some importance. I refer to the failure to pay the members of the Northwest Mounted Police who have volunteered for active service. They are not being treated on the same basis as other officials of the Government. It has been represented to me, and I am in sympathy with the representation, that they should receive their full pay while on service with the forces at the front. I bring the matter to the attention of the Prime Minister with a view to ascertaining the possibility of something being done in the direction I have indicated.

Sir ROBERT BORDEN (Prime Minister): I will look into the matter to which the hon. gentleman refers. At present I am not aware of any member of the Mounted Police being engaged in active service. Several members of the force made application to get their discharge in order that they might serve at the front. That is the only aspect of the matter that has been brought to my attention.

Mr. BUCHANAN: There are members of the Mounted Police now in the fighting line in France who are British army reservists, and who have gone to the front in that capacity. It is felt that they ought to be treated the same as other officials of the Canadian Government.

Sir ROBERT BORDEN: The matter has not been brought to my attention so far as I recollect. I will make inquiry with regard to it.

THE WAR—THE CANADIAN FORCES.

Mr. E. M. MACDONALD (Pictou): In view of the sad intelligence which comes daily to Canada of the loss in action of our boys at the front, I would ask the Minister of Militia if he could tell us whether the whole of the first contingent have gone across the Channel. I do not want information that it would be improper to give to the House and the country. I would also ask him, in view of the statements I have seen in the press in regard to the appointment of Colonel Seeley to command the Canadian troops in France, whether the department here were consulted with regard to his appointment, and what is his command or status.

Major General HUGHES (Minister of Militia): Regarding the first contingent, the first division has gone to the front and the Princess Patricias. At least three of the regiments, the Strathcona Horse, the Canadian Mounted Rifles, the Canadian Royal Horse Artillery remain as details under Colonel Seeley. He has in his brigade also some British troops, the King Edward Horse, a British corps, not Canadians, and it is unnecessary that Canada should have been consulted about the appointment of a brigadier to command the division. I was absent in the West at the time the matter occurred and am not familiar with the details.

Mr. MACDONALD: Where is his command?

Major General HUGHES: When we last heard of it, in England.

INSURANCE RATES IN NOVA SCOTIA.

Mr. W. F. CARROLL (South Cape Breton): I desire to ask the Minister of Finance if he has had drawn to his attention the enormous increase in fire insurance rates in eastern Nova Scotia. This increase amounts to 30 per cent of which notice has been given within the last few days. I will give the minister more formal notice of the facts in connection therewith.

Hon. W. T. WHITE (Minister of Finance): The matter has not been drawn to my attention, but I will make inquiries of the Insurance Department and see if any representations have been made on the subject.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

The House in Committee on Private Bills, Mr. Sevigny in the Chair.

Bill No. 4, respecting certain patents of the Lohmann Company—Mr. Fripp—in Committee.

On section 1—order of commissioner:

Mr. J. D. REID: As the hon. member in whose name this Bill appears is not present, I may explain that this is an

application for the renewal of two patents, one of which was taken out in 1911 and the other in 1912. In each case the fees were paid for six years. Section 38 of the Patent Act provides that the patentee must manufacture within two years. Upon application, however, within six months after the granting of the patent, an order may be issued providing that the patent shall come under the provisions of section 44, which is commonly known as the licensing provision. Under this provision the owner of the patent may be required to grant a license to another person or persons to manufacture and sell the patented invention, and if this is not done within a certain period of time the patent may be cancelled. In this case the owner of the patent, Mr. Lohmann, died before the expiration of the time within which application would have to be made to have the patent come under the provisions of section 44; therefore that privilege was lost. The object of this Bill, therefore, is to place those who are now in possession of the patent in the same position as they would have been had the application for the licensing privilege been made within the specified time. The patent in question is a patent for the prevention of the corroding or rusting of metal. It is a process patent, and I understand that it is one in respect of which the Department of Agriculture would be willing to grant a license. It is not in every case that the owners of patents are allowed to come under the licensing provision, but when this application came before the Private Bills Committee it was thought that the privilege should be extended in this case. I myself felt, as a member of the committee, that, considering the whole circumstances, the application for renewal should be granted.

Mr. MACDONALD: Is the Commissioner of Patents satisfied?

Mr. REID: Yes; before the Bill was considered by the Private Bills Committee I took the matter up with the deputy minister and Commissioner of Patents, and they thought that it was fair and right that we should grant this renewal.

Section agreed to.

Bill reported, read the third time and passed.

Bill No. 71, respecting the Sterling Life Assurance Company of Canada—Mr. Macdonell—considered in committee, reported, read the third time, and passed.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

CIVIL SERVICE APPOINTMENTS.

Mr. CARVELL:

1. How many appointments have been made to the Civil Service subsequent to October 12, 1911, under section 21 of the Civil Service Act?
2. How many males have been thus appointed?
3. How many females have been thus appointed?
4. How many appointments have been made to the Civil Service prior to October 12, 1911, under section 21 of the Civil Service Act?
5. How many males were thus appointed?
6. How many females were thus appointed?

Mr. CODERRE:

1. 210.
2. 205.
3. 5.
4. 107.
5. 105.
6. 2.

GOVERNMENT EMPLOYEES AT PETERBOROUGH.

Mr. BURNHAM:

How many employees, permanent and temporary, were in the service of the Government at Peterborough in 1911, and in 1915?

Mr. CODERRE:

Agriculture: In 1911, 2 permanent employees; in 1915, 2 permanent employees. In addition to these, the following persons held positions as official veterinarians in 1911, which they still occupy: T. Johnston, F. L. Robinson. The duties of an official veterinarian are limited to the issuing of district health certificates for export stock shipments. They do not receive any remuneration from the Department of Agriculture, but are permitted to charge twenty-five cents per head for each animal in a shipment up to and including eight, and two dollars for each shipment of eight or more animals.

Customs: In 1911, 6; in 1915, 8, besides one at present absent on active military service. An appraiser and additional officers were added in the interest of the service, being necessary for the proper transaction of the Customs business.

Militia and Defence: In 1911, 3; in 1915, 4, including R. T. Biggs, who has enlisted with the Third Contingent, and his substitute, Wm. Stanley.

Post Office: In 1911, 20 permanent, 1 temporary; in 1915, 28 permanent, 5 temporary. Two of these men have been taken on to replace two men who have gone to the war.

Public Works: In 1911, 2 permanent; in 1915, 2 permanent.

Railways and Canals: In 1911, 34 permanent, 272 temporary; in 1915, 29 permanent, 24 temporary.

Inland Revenue: In 1910-11, 6 permanent, 1 temporary; in 1915, up to March 1, 1915, 5 permanent, 1 temporary.

Labour: In 1911, 1; in 1915, 1.

JOHN KRANS.

Mr. KAY:

1. Is John Krans in the employment of the Department of Agriculture, or any other department of the Government?

2. What are his duties, and what salary does he receive?

3. Who recommended his appointment?

Mr. CODERRE:

1. Not in the employ of the Government.

2 and 3. Answered by No. 1.

INTERCOLONIAL RAILWAY—WORKS NEAR ANTIGONISH.

Mr. WM. CHISHOLM:

1. What amount has been paid to the contractors for or on account of the Intercolonial railway abutments near Antigonish, N.S.?

2. What has been the actual cost to date of said abutments?

3. Has the final estimate sent to the Department of Railways, or to the Moncton office, for said work been paid?

4. What is the nature of the unsettled matters referred to in the answers given to questions put relating to this contract on the 11th inst., and why have they not been settled?

Mr. COCHRANE:

1. $17,240.19.

2. Total charges to date, $20,755.40.

3. Yes.

4. The penalty clause for non-completion within contract time.

CAMPBELLTON-GASPE STEAMSHIP SERVICE.

Mr. MARCIL:

Has any decision been arrived at regarding the request of the Board of Trade of Campbellton, N.B., and Dalhousie, N.B., council, for a semi-weekly steamship service between Campbellton and Gaspé? If so, what is it?

Sir GEORGE FOSTER: The Gaspé and Baie des Chaleurs Steamship Company, which performs the service between Campbellton and Gaspé, has been offered what the department considers a reasonable subsidy for a semi-weekly service between these two points. In default of their acceptance of this offer the company has been instructed to carry out its present contract, which expires at the close of navigation of this year.

[Mr. Coderre.]

DISEASED PIGS IN FRONTENAC COUNTY.

Mr. EDWARDS:

1. How many pigs have been shot in Frontenac county by order of the Government during the past year, owing to an outbreak of cholera or other diseases?

2. What are the names of the owners of such pigs, and the amount of compensation allowed in each case?

3. How many pigs in Frontenac county, in addition to those ordered to be shot by the Government, died of cholera or other diseases, so far as the Government can estimate?

4. What was the cause or origin of the said outbreak of cholera?

5. Has the cause been removed and the disease stamped out in said county?

6. Have any general precautionary instructions been issued to prevent a recurrence of the outbreak?

Mr. J. D. REID:

1. Six hundred and eight hogs were destroyed in Frontenac county by order of the Government during the past year, owing to an outbreak of hog cholera.

2. The names of the owners of such hogs and the amount of compensation allowed in each case:

	No.	Compensation.
Messrs. Nicholson and Elliott,	452	$3,965.33
Henry Price and William Saunders	5	21.66
Wm. Patterson	2	20.00
Fritz Ditrich	4	18.00
Erwin Ditrich	7	37.33
Henry Webber	43	232.66
E. J. Metcalfe	3	20.00
Wm. Gollogly	16	134.00
Andrew Howie	13	61.00
David Bauder	9	48.00
Jas. A. Downie	8	53.33
R. Harpell	31	213.33
W. J. Norris	6	32.00
A. Ubdgrove, compensation cancelled.		

3. The department has no information with regard to the number of hogs which might have died in Frontenac county from diseases with which it does not deal.

4. The department is of the opinion that the outbreak of hog cholera in Frontenac county was due to the feeding of garbage.

5. In so far as is possible the cause of the outbreak has been removed; all owners have been warned not to feed garbage and have been advised that if they continue feeding this material and an outbreak of hog cholera occurs on their premises the department may withhold compensation. Owing to the peculiarities of the organism causing hog cholera, it is quite impossible, at this early date, to say whether or not the disease has been eradicated in the

county in question. The last suspected case has been dealt with, and owners have been instructed to notify the department should they detect any signs of illness among their hogs.

6. The precautionary measures taken to prevent a recurrence of the outbreak are outlined in the answer to question 5.

NEW CARLISLE PUBLIC BUILDING.

Mr. MARCIL:

1. Was the erection of a Dominion public building at New Carlisle, Quebec, authorized in the estimates of 1911-12?

2. If so, was this building erected? If not, why not?

3. If not erected, was any request received since October, 1911, asking that the work be proceeded with? If so, from whom, and what answer was given?

Mr. ROGERS:

1. Yes.

2. No, as other and more important works were to be considered.

3. Yes, from Mr. J. A. Mousseau, of New Carlisle, approved by Hon. L. P. Pelletier, to which a reply was made that the matter would receive consideration and the necessary amount would be noted in the Estimates at next session (1913-14). On 14th April, 1913, the hon. member for Bonaventure asked a question in the House: "Does the Government intend erecting a public building at New Carlisle and what steps have been taken to that end," to which the answer was: "Matter not finally disposed of."

ESCUMINAC WHARF.

Mr. MARCIL:

1. Was the construction of a wharf at Escuminac, Bonaventure county, Quebec, authorized in the estimates of 1911-12?

2. If so, was this work proceeded with? If not, why not?

3. Has any request been received since October, 1911, asking that this work be done? If so, from whom, and what answer was given?

Sir GEORGE FOSTER:

1. Yes.

2. No, as more important works were to be considered.

3. Nothing on file in the records of the department.

ST. PIERRE AND SOREL POST OFFICE.

Mr. CARDIN:

1. Has the post office at St. Pierre de Sorel, county of Richelieu, been closed?

2. If so, at whose request, and for what reason?

3. Who asked for the establishment of rural delivery system for Ste. Victoire, county of Richelieu, Ste. Victoire rural delivery No. 1?

Mr. CASGRAIN:

1. Yes.

2. No request was made. The post office was closed in accordance with the policy of the Post Office Department to close all post offices which have been rendered unnecessary by the patrons thereof being brought within scope of the rural mail delivery service.

3. Réné Larivière, Joseph Poirier and 29 others.

ST. AIME RURAL MAIL.

Mr. CARDIN:

1. What are the names of the persons who tendered for the carrying of mails in the parish of St. Aimé, county of Richelieu, and what was the amount of each tender?

2. To whom was the contract awarded, and at what price?

Mr. CASGRAIN:

1. St Aimé rural route No. 1—Theophile Forcier, $850, reduced to $775; Philippe Godin, $900; Norbert Lamoureux, $900; Exeas Lebrun, $950; H. Brouillard, $975. St. Aimé rural route No. 2—Fernando Forcier, $800, reduced to $759.50; Louis Belisle, $800; Norbert Lamoureux, $875; Pierre Larochelle, $900.

2. St. Aimé rural route No. 1—To Theophile Forcier, at $775; St. Aimé rural route No. 2—To Fernando Forcier, at $759.50.

SHEFFORD COUNTY RURAL MAIL.

Mr. BOIVIN:

1. Who is the mail carrier appointed by the Government for the delivery and collection of mail upon the rural mail delivery route in the county of Shefford, known as Warden No. 1.

2. By whom was he recommended?

3. What salary does he receive?

4. Were any other tenders received for the said position?

5. If so, from whom, and for what amount?

Mr. CASGRAIN:

1. Lorenzo Bachand.

2. The contract was awarded after public tenders had been invited.

3. $600 per annum.

4. Yes.

5. L. Bachand, $800, reduced to $600; W. F. Shores, $800, reduced to $625.

SABISTONS—HALF-BREED SCRIP.

Mr. W. M. MARTIN:

1. Did James Sabiston, George Sabiston, sr., George Sabiston, jr., William Sabiston and Colin Sabiston, or any of them, apply to the Department of the Interior for half-breed scrip?

2. If so, has such scrip been issued, and to whom was it sent?

3. Was such scrip delivered to each of the above named parties, or any of them?

4. Has the Department of the Interior received any receipts for such scrip from the above named persons, or any of them?

5. Has the Department of the Interior received any correspondence or communications of any kind from any of the above named parties, or any one in their behalf, asking that the said scrip be issued to them?

Mr. ROCHE:

1. Yes, all of them.

2. Yes, sent on 31st October, 1912, to E. Widmeyer, agent of Dominion Lands at Dauphin, Manitoba, for delivery to the grantees personally.

3. Yes, to each one personally.

4. Yes, from each of them.

5. Yes.

D. A. McDONALD.

Mr. McKENZIE:

1. When, in the year 1913, was D. A. McDonald, of north side of East Bay, Cape Breton, appointed foreman on wharf construction at that place?

2. By whom was he recommended?

3. How long was he in charge of the wharf construction?

4. When was he dismissed, and for what cause?

5. At whose request was he dismissed?

6. How much was expended on that wharf, at the north side of East Bay, during the years 1912, 1913 and 1914?

Mr. ROGERS:

1. 13th October, 1913.

2. Mr. John McCormick, of Sydney Mines.

3. 15th to 29th November, 1913, and 9th to 31st March, 1914.

4. He was not dismissed, his services as foreman automatically expired at the end of the fiscal year.

5. Answered by No. 4.

6. 1912-1913, $80; 1913-1914, $1,155.66; 1914-1915, $1,000. Total, $2,235.66.

NORTH CAPE BRETON RENTED BUILDINGS.

Mr. McKENZIE:

How many buildings are rented by the Department of Customs in the riding of North Cape Breton and Victoria?

2. Where are they situated, and for what purpose are they used respectively?

3 From whom are the buildings rented, and upon what terms as to length of lease and amount of rental per month or per year, as the case may be?

Mr. J. D. REID:

1. Three.

2. Iona, for custom house; St. Ann's, for custom house; North Sydney, for King's and examining warehouse; size, 24 ft. x 40 ft., two stories.

[Mr. W. M. Martin.]

3. A. R. McNeil, Iona, $75 per year; D. McAulay, St. Ann's, $12 per year; W. S. Thompson, North Sydney, leased for 3 years from October 1, 1913, at $360 per year.

WILLIAM MACDONALD.

Mr. MACDONALD:

1. Is William Macdonald, formerly of Merigonish, Pictou county, employed in the Department of Customs at Ottawa?

2. If so, what is his position and salary?

Mr. J. D. REID:

1. No.

2. Answered by No. 1.

KENZERVILLE-BARNEYS RIVER MAIL SERVICE.

Mr. MACDONALD:

1. Has the contract for the mail service between Kenzerville and Barneys River, county of Pictou, been awarded?

2. If so, to whom, and at what price?

3. Who were the tenderers for the contract?

Mr. CASGRAIN:

1. Yes.

2. It was awarded to Alexander Ross, the lowest tenderer, at 59 cents per trip, or $184.67 per annum, but he claimed that he had tendered too low, and asked permission to withdraw his tender. His request was granted, and the contract awarded to A. W. McKenzie, the only other tenderer, at 74 cents per trip, or $231.62 per annum.

LOUISVILLE POST OFFICE BUILDING.

Mr. GAUVREAU:

1. How much did the building for the new post office at Louisville cost?

2. By whom did the Government have the work, in connection with that building, superintended?

3. What price was he paid for the works.

4. When did he discontinue that superintendence?

5. Does the Government know whether or not that superintendent is a builder by trade, or if he knows anything about building?

Mr. ROGERS:

1. $21,650, not including site, fittings etc.

2. Under supervision of Clerk of Works P. A. Mousseau.

3. $4 per working day.

4. Discharged on 29th December, 1914.

5. No, but he performed his duties, as clerk of works, to the satisfaction of the department.

STE. URSULE-LOUISVILLE MAIL SERVICE.

Mr. GAUVREAU:

1. How many tenders were received by the Post Office Department for the last contract awarded for the carrying of mails between Ste. Ursule and Louisville, county of Maskinongé?

2. What is the price asked in each of such tenders?
3. To whom was the contract awarded, and at what price?
4. Was his the lowest of the tenders?

Mr. CASGRAIN:

1. Five.
2. Ephrem Grenier, $299, reduced to $262; F. X. Belland, $267; Alphonse Lessard. $275; Edouard Lesage, $295; Olivier Mineau. $500.
3. Ephrem Grenier, at $262.
4. Grenier's offer at $262 was the lowest received.

RESTIGOUCHE DREDGING.

Mr. MARCIL:

1. Was any dredging done at Restigouche, Quebec, in 1914?
2. If so, (a) what was the amount expended, and (b) at whose request?

Mr. ROGERS:

1. Yes, at Champoux wharfs, Mission Point, and Ste. Anne de Restigouche, Que.
2. (a) $6,915.60; (b) D. Champoux.

THE MATAPEDIA ROAD.

Mr. MARCIL:

1. Was any work done on the Matapedia road in 1914?
2. If so, at what places, what was the nature of the work, and how much was expended?
3. Was the work done by contract or day work, and under whose supervision?
4. Is the work completed? If not, is it proposed to go on with it this coming season?

Mr. ROGERS:

1. Yes.
2. The work done consisted of the repairing and rebuilding of several bridges and culverts and the reconstruction of a portion of the highway from Beaurivage to Millstream. Expenditure $4,559.83.
3. Day labour. Under supervision of District Engineer J. C. Taché and Foreman Alfred Lepage.
4. No. The amount of $2,500 has been noted in the Main Estimates 1915-16 to go on with this work.

WAR SUPPLIES—HAY.

Mr. COPP:

1. What is being paid for hay supplied the Militia Department at Amherst, N.S.?
2. Were tenders called?
3. If so, were they made public?
4. From whom were tenders received?

Major General HUGHES:

1. $21 per ton.
2. Yes.
3. Question not understood.
4. Edgar Fillmore, Russell M. Embree. Robert Mitchell.

CARSLAKE HOTEL, MONTREAL.

Mr. McMILLAN:

1. Has the Government purchased a property known as the Carslake hotel in the city of Montreal?
2. If so, (a) what is the purchase price, (b) how much has been paid up to date, and what are the dates of these payments?

1. The Carslake property in the city of Montreal has been expropriated and the case is now before the Exchequer Court.
2. (a) The Exchequer Court will establish the price to be paid; (b) paid on account. August 15, 1914, $175,000; paid on account. November 21, 1914, $45,000; total, $220,000.

ST. ARMAND STATION RURAL MAIL.

Mr. KAY:

1. Who were the original tenderers for rural route No. 2, St. Armand station?
2. What was the amount of the tender in each case?
3. To whom was the contract let and at what price?

Mr. CASGRAIN:

1. G. G. Johnson, D. C. Hogle, B. J. Hastings.
2. G. G. Johnson, $600, reduced to $450; D. C. Hogle, $700, reduced to $550; B. J. Hastings, $950, would not reduce.
3. To G. G. Johnson at $450.

YARMOUTH HARBOUR DREDGING.

Mr. A. De WITT FOSTER:

1. What was the price paid per cubic yard for dredging in Yarmouth harbour for each year from 1906 to 1911 inclusive?
2. Who were the contractors to whom these prices were paid?
3. Who were the inspectors for the Government in each year?
4. What amount was each inspector paid per day?

Mr. ROGERS:

1. 1906-1907, no dredging under contract; 1907-1908, no dredging under contract; 1908-1909, Class A, $5 per yard, Class B, 50 cents per yard; 1909-1910, Class A, $5.02 per yard, Class B, 52 cents per yard; 1910-1911, Class A, $4.90 per yard, Class B, 90 cents per yard; 1911, Class B, 28 cents per yard.
2. Dominion Dredging Company, Ltd.
3. 1908-1909, T. A. Crosby, Cereus Johnson, A. N. Kimball. 1909-1910, Geo. L. Wetmore, T. A. Crosby. 1910-1911, Captains N. S. McKinnon, C. W. Carty, Chas. McCarthy. 1911-1912, Thos. A. Crosby, N. S. McKinnon.
4. Thos. A. Crosby, $2 and $2.50; Cereus Johnson, $2.50; A. N. Kimball, $2.50; Geo. L. Wetmore, $3; N. S. McKinnon, $3; C. W. Carty, $2.50; Chas. McCarthy, $2.50.

AMHERST MILITARY CAMP REFUSE.

Mr. COPP:

Who receives the refuse of the Amherst Military Camp, and how much is being paid for same?

Major General HUGHES: P. T. Smith, emptying dry earth closets at 95 cents per load, and emptying refuse pits at 20 cents per load.

WAR SUPPLIES—MOTOR TRUCK TIRES.

Mr. CARVELL:

1. Where any motor truck tires purchased for the first contingent?
2. If so, (a) from whom were they purchased, and (b) by what firm manufactured?
3. What price per set was paid for them?
4. Were they of the same sizes and designs purchased for the second contingent?
5. How many sets of each size and design purchased for the first contingent were similar to those purchased for the second contingent?

Major General HUGHES:

1. Twenty-eight and two-thirds sets were purchased for replacement only.

2. (a) The Canada Cycle and Motor Company; (b) the Dunlop Tire and Rubber Company.

2. An average of $390.18 per set of six tires.

4. The same design, but not the same size.

3. None of the first contingent trucks were equipped all round with 38x5 size tire, as used for the second contingent; the design of all is similar.

LEVIS QUARANTINE STATION.

Mr. BOURASSA:

1. In what newspapers was call for tenders for the construction of the buildings of the Lévis quarantine station published?
2. During how many days was that call for tenders published?

Mr. CODERRE:

1. Quebec Chronicle, L'Evenement Daily, L'Evenement Weekly.

2. Quebec Chronicle, three; L'Evenement Daily, three; L'Evenement Weekly, two.

CONSOLIDATED FUND EXPENDITURE.

Mr. A. K. MACLEAN:

1. What was the total expenditure on account of Consolidated fund from April 1, 1914, to March 1, 1915?
2. What was the expenditure on account of Consolidated Fund, for the same period, for each of the sub-heads of such expenditure as shown on pages 65 to 73 inclusive of the public accounts for fiscal year ended March 31, 1914?

[Mr. Rogers.]

Mr. W. T. WHITE:

1. Total expenditure on account of Consolidated Fund from April 1, 1914, to March 1, 1915, $109,600,697.72.

2. Interest on Public Debt.	$ 9,694,864.88
Charges of Management	390,650.87
Sinking Funds	1,279,900.79
Premium, Discount and Exchange	27,063.89
Civil Government	4,970,121.44
Administration of Justice	1,038,777.25
Dominion Police	91,572.14
Legislation	939,141.67
Penitentiaries	701,626.79
Arts, Agriculture and Statistics	2,339,351.30
Immigration	1,451,512.98
Quarantine	189,828.27
Pensions	238,549.66
Superannuation	337,478.12
Militia	8,917,129.35
Mounted Police	731,133.81
Public Works Consolidated Fund	15,649,410.77
Railways and Canals Consolidated Fund	597,850.63
Mail Subsidies and SS. Subventions	1,627,647.38
Ocean and River Service	1,074,391.71
Lighthouse and Coast Service	1,918,856.92
Marine Hospitals	44,433.06
Steamboat Inspection	54,038.56
Fisheries	908,299.81
Geological Survey	326,227.26
Scientific Institutions	426,991.44
Subsidies to Provinces	10,310,187.27
Indians	1,747,703.67
Government of N.W. Territories	2,462.84
Miscellaneous	1,584,771.70
Yukon Provisional District	316,701.81
Customs	3,177,724.42
Excise	698,353.34
Weights, Measures, Gas and Electric Light	208,895.60
Culling Timber	8,103.16
Inspection of Staples	384,283.35
Adulteration of Foods	23,717.61
Post Office	9,766,856.26
Public Works Collection	635,389.91
Railways and Canals Collection	11,164,105.65
Bounties	112,126.77
Dominion Lands and Parks	2,879,609.06
Trade and Commerce	1,487,423.22
Naval Service	1,689,572.84
Labour	56,293.89
	$102,221,133.12

UNOPPOSED MOTIONS FOR PAPERS.

Mr. Boivin: For a copy of the petition addressed to the Post Office Department for the establishment of the rural mail delivery route in the county of Shefford, known as warden No. 1, and of all letters, telegrams, reports and other communications connected therewith.

Mr. W. M. Martin: For the number of applications for seed grain received by the Government in each of the months: September, October, November and December, 1914, and January and February, 1915;

2. The number of bushels each of seed wheat, seed oats and seed barley applied for in each of the following periods: September 1 to September 15, 1914; September 15 to September 30, 1914; October 1 to October 15, 1914; October 15 to October 31, 1914; November 1 to November 15, 1914; November 15 to November 30, 1914; December 1 to December 15, 1914; December 15 to December 31, 1914; January 1 to January 15, 1915; January 15 to January 31, 1915; February 1 to February 15, 1915; February 15 to February 28, 1915;

3. The number of bushels each of seed wheat, seed oats and seed barley purchased by the Government in each of the above mentioned periods, and the average price paid in each period.

Mr. W. Chisholm: For a copy of all pay-sheets, accounts, receipts, vouchers and correspondence in the Public Works Department relating to the expenditures at Blue Rock, Antigonish county, during the calendar years 1913 and 1914.

Mr. W. Chisholm: For a copy of all letters, telegrams, correspondence and petitions received in the Post Office Department, in any way referring to the calling of tenders for the Antigonish-Sherbrooke mail service, which tenders were opened or due at the Post Office Department on the 11th December last; and of all representations or requests, recommending or suggesting the new tenders should be invited as was done early in February last.

Mr. Macdonald: For a copy of all letters, papers, reports and other documents relating to the survey of a new line of railway from Sunny Brae, county of Pictou, eastward.

Mr. Macdonald: For a copy of all letters, papers, reports and other documents relating to the construction across Pictou harbour of a new railway bridge on the Intercolonial railway.

Mr. Kyte: For a return showing the names and addresses of all persons who received bounty under the provisions of the Fenian Raid Volunteer Bounty Act, in respect of services rendered in the county of Richmond, Nova Scotia; and the names and addresses of all whose claims for bounty have been rejected, and the reasons for rejecting the same.

Mr. Law: For a copy of all correspondence and recommendations relating to the dismissal of Alexander McRae, lightkeeper at Point Prim, county of Queens, Prince Edward Island, and of all correspondence and recommendations for the appointment of his successor.

Mr. Bourassa: For a copy of all documents, letters, despatches, correspondence, petitions, recommendations, tenders, etc., relating to the purchase of the land for the Quarantine de Lévis.

CRIMINAL CODE AMENDMENT BILL.

Bill No. 74, to amend the Criminal Code—Hon. C. J. Doherty (Minister of Justice)—read the third time and passed.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Mail subsidies and steamship subventions—steam service between Annapolis and London or Hull, England, or both, $5,000.

Mr. A. K. MACLEAN: Was this service performed last year?

Sir GEORGE FOSTER (Minister of Trade and Commerce): Nothing was paid out on account of this subsidy last year for a service between Annapolis and London or Hull; in fact, no subsidy has been paid on this account for the past two years simply because it has been difficult to make arrangements for a line from Annapolis to Hull. This year it was not found possible to make an arrangement but the United Fruit Company were very anxious to have help at the critical time in the transportation of their apples, and I took the liberty of telling them that under certain conditions, and with approved vessels, I would ask the House to change the wording and transfer the subsidy to vessels running from Halifax to these ports instead of from Annapolis. Under that proviso they have sent four vessels all loaded fully with apples from Halifax to the old country. In the Supplementary Estimates I will ask to have the wording changed from Halifax to Annapolis for this year only in order to encourage the service.

Mr. MACLEAN: Was any reduction of ocean freight rates secured in connection with these four steamers chartered for the transport of apples last season?

Sir GEORGE FOSTER: Just what the rates were I do not know but the vessels were chartered by the company itself.

Mr. MACLEAN: The United Fruit Company?

Sir GEORGE FOSTER: By the United Fruit Company and I understood from them that they got fairly moderate charters. The rates were governed by the amounts they would have to pay for the chartered vessels. They were not trying to make money out of it.

Mr. MACLEAN: The United Fruit Company made all arrangements as far as the chartering was concerned?

Sir GEORGE FOSTER: Yes.

Mr. JAMESON: Instead of striking out the word "Annapolis" and substituting the word "Halifax," I would suggest to the minister that he put in the words "or Halifax" after the word "Annapolis" so that it will read:

Steam service between Annapolis, or Halifax, and London or Hull, England, or both.

Sir GEORGE FOSTER: I have no objection to that; the word can be inserted in the Supplementary Estimates.

Steam Service between Canadian Atlantic ports and Australia and New Zealand, $140,000.

Sir GEORGE FOSTER: This is the same subsidy as last year, and a similar service has been carried on. There are some points in connection with it which it might be well to mention. The distance covered by this line of steamers is 15,656 miles, and it is in distance the longest service which we subsidize. It is a service which is subsidized one way. It takes exports from Canada to New Zealand and Australia. The vessels are free to get their freights as they choose back to the Old Country, and from the Old Country here, and then they pick up the service on this side. That arises from the fact that we cannot get a line, without expending a very large amount of money, which would keep to the one track, inasmuch as from Australia there is a comparatively small amount of freight offered for this side of the Atlantic, as Australia and New Zealand do the bulk of their trade exchange business with Canada by the Pacific Coast.

Sir WILFRID LAURIER: What will be the effect of the Panama canal on this route?

Sir GEORGE FOSTER: We cannot tell yet until it is tried by actual experiment, but the Panama canal might very well have the effect of carrying that traffic through it. The amount of freight that was carried last year was about equivalent to what was carried the year before, which had a value of $4,621,000 from Canada and $960,000 from the United States. The line is bound to fill all Canadian requirements before taking any freight from the United States. The articles that are principally exported are lumber, automobiles, vehicles, calcium carbide, paper, sole-leather, agricultural implements, rubbers, iron pipe, hardware, seed, fruit, cereal foods, wire, steel rails and organs.

Sir WILFRID LAURIER: What line of steamers is it?

[Mr. A. K. Maclean.]

Sir GEORGE FOSTER: The New Zealand Shipping Company.

Mr. A. K. MACLEAN: May we expect to have a formal announcement from the Minister of Trade and Commerce as to the conclusion of negotiations on trade arrangements with New Zealand and Australia?

Sir GEORGE FOSTER: There is no conclusion and, therefore, there is no formal announcement to make yet.

Mr. MACLEAN: It is four years since you commenced.

Sir GEORGE FOSTER: There are two parties to the bargain, and the Legislature in Australia has been subject to a good deal of political excitement and some political changes within the last year and a half. They were in the throes of an election contest shortly after I reached Australia, and when that contest was decided the odd juncture was brought about of the dominant party, if you can call it such, having a majority of one in the House and a majority of four to one against it in the Senate. Under those circumstances, not much progress was possible in any kind of legislation, and really nothing was done with the exception of passing estimates in which both sides agreed. There came another election contest by which the party that had been defeated the year before was successful in the House of Representatives, and retained the largest part of its majority in the Senate. That legislature had but a short meeting in the autumn, and then adjourned to meet again in the middle of April. They passed a resolution embodying tariff changes, and that resolution, of course, as with us, has the effect of law, but the tariff Bill itself remains for action when Parliament meets again. In that, tariff preference was arranged for the United Kingdom, the Mother Country, and for her alone.

4 p.m.

Mr. A. K. MACLEAN: What was the nature of that preference? Do I understand the minister to say there was a change made in the British preference applicable alone to the United Kingdom?

Sir GEORGE FOSTER: The tariff resolution which was brought down in the first part of the session raised the duty on almost all articles that were imported into Australia, and instituted a preference of ten per cent on articles coming from the United Kingdom, and giving that preference to no

other country. The matter stands for consideration, and whether or not anything will be done before they pass their tariff legislation cannot be said.

Mr. A. K. MACLEAN: Then the minister is not likely to conclude any treaty with Australia in the near future; is that what the minister states.

Sir GEORGE FOSTER: The minister states what he has stated; that no conclusions have yet been reached and consequently there cannot be any conclusions announced.

Mr. MICHAEL CLARK: Is this subsidy meant for the promotion of foreign commerce?

Sir GEORGE FOSTER: Yes, foreign commerce in this case with exclusive relation to the exports from Canada and without reference to imports.

Mr. MICHAEL CLARK: Does the minister not expect anything to come back to Canada?

Sir GEORGE FOSTER: No; frankly I did not expect anything to come back on these steamers, because under the arrangements which are necessary with the subsidy that is given, these steamers would have to load up in Australia and go may be to Africa, thence to Europe, and then come back here, and of course nothing could be taken by that roundabout route. I am saying nothing as to what stimulus in the way of exports back again has been given, but they would find their way through the Pacific ports.

Mr. MICHAEL CLARK: Under usual circumstances I should think it was a very unprofitable line to subsidize; but perhaps I ought to congratulate this Government that they are not bringing anything back, because that might interfere to a certain extent with things being made in Canada.

Sir GEORGE FOSTER: This is, I think, the sole instance in which we have given way to the prejudices of my hon. friend.

Ocean and mail service between Canada and Great Britain, $1,000,000.

Sir WILFRID LAURIER: How is that applied ?

Sir GEORGE FOSTER: This service has been almost completely broken up, although if we compare it with the mail service from New York, we are not much worse of comparatively than the people are in the United States. Taking in two new steamers, the Calgarian and the Alsatian, we commenced with a very good selection of steamers running from seventeen up to nineteen knots in speed. As soon as the war broke out, there commenced a system of requisition by the British Government for the purposes of the war. Owing to vessels being taken off from time to time, the service has declined until now the whole fleet of the Canadian Pacific running between Canada and the old country is reduced to three cargo vessels and one passenger vessel. The best vessels of the Allan line have been requisitioned and are now in transport service. The Canadian Northern vessels have gone entirely off the route, having also been taken by the British Government for transport purposes. The White Star line may have one not very large vessel still running; all the others have been taken. The Allan line have still quite a number of vessels, but they are less important and of smaller cargo capacity and less speed. Therefore at the present time not only is this service crippled to a very large extent, but we are up against a somewhat grave condition of affairs in connection with the transportation of products from this side of the Atlantic to the other. The arrangements mentioned in the House the other day, that had been made by the Admiralty for the putting on of 18 vessels to carry supplies, unfortunately does not directly provide any carriage for general produce. It is meant entirely and solely for the carriage of British Government supplies, and incidentally of supplies going to our own troops, if there is space therefor. It is calculated, however, if we take into account what has been ordered in this country and what has to go, that if those 18 vessels are secured, all the space that they can afford will be taken up with Government supplies, and that they will not afford any outlet either for general freights from this side or for freights which originate in contracts of companies or private individuals for war purposes on the other side. It of course relieves what may be possible of a chartered vessel-fleet from having to carry those supplies, and incidentally it is a help to the general transport of the country in that respect. There is a very great scarcity of vessel-space throughout the world, and we experience it in Canada to a very large extent. A list has been made of the vessels on the Great Lakes which are more or less able to carry ocean freight, and I believe that a considerable portion of the tonnage of the lakes will be chartered for the carry-

ing of freight across the Atlantic. In fact, some of the lake vessels have been chartered already. These vessels, however, are small in carrying capacity, and therefore will not take the place of the immense freighters which have disappeared from our lines. At the present time an effort is being made—and I hope it will be successful—by which a number of the vessels that have been taken from our main lines may be released by the British Government, that Government chartering vessels from other than our regular lines to fill their places. All that can be done is at this moment being done to bring that about, so that by the first of May, if possible, we may have a portion of the old carrying fleet back again at work.

Sir WILFRID LAURIER: Have you a special contract with any company?

Sir GEORGE FOSTER: The contract runs until the last of this month: but the vessels have been so disorganized that we have not had the service that we expected to have; nor have we paid the subsidies that we expected to pay. Although the contract runs up to the end of this month, a system of readjustment will have to be followed whereby we shall pay as subsidies what is reasonable considering the less speed and less capacity of the vessels.

Sir WILFRID LAURIER: I suppose you have no exclusive contract with any company; but you subsidize four companies, namely, the Canadian Pacific, the Allan Line, the Canadian Northern and the White Star, and you pay according to the amount of mail matter which they carry?

Sir GEORGE FOSTER: Yes. They are paid on a basis of the speed and the capacity that they give us as compared with the speed and the capacity of the vessels which were contracted for.

Steam service between Canada and Cuba, $25,000.

Mr. A. K. MACLEAN: Will the minister give the committee some idea as to the trade between Cuba and Canada? Has it grown in recent years or is it just maintaining its own?

Sir GEORGE FOSTER: The appropriation was expended during the past years, although not during the year that has just passed. This service was carried on by the Elder-Dempster line. Mexican affairs became, as my hon. friend knows, very troubled and very mixed, and Elder, Dempster & Company gave up their service to Mexico and, in connection with that, the service to Cuba. There has been no subsidized service between Canada and Cuba during the last year; but this item was kept in and is still kept in, so that if it happens that an advantageous arrangement can be made, we shall have this sum with which to carry it out.

Mr. A. K. MACLEAN: Has the minister made any effort to negotiate some preferential tariff arrangements on behalf of Canada with Cuba? I do not know whether that is a practical question, but I have often heard it suggested in the maritime provinces, particularly in my own province, which at one time had a very considerable trade with the island of Cuba. Under favourable conditions a large trade might be built up between Cuba and Canada, particularly through Eastern Canada. I have heard the opinion expressed by business men in Halifax that if some modifications of the Cuban tariff on Canadian products could be secured it would facilitate trade very much. I imagine this matter has been brought to the attention of the minister at some time or other, and I should be glad to hear a statement from him with regard to it.

Sir GEORGE FOSTER: The attention of the department has been constantly directed to that matter. But as my friend knows, the United States and Cuba up to the present time have a trade arrangement by which each gives the other a preference

Mr. MACLEAN: Is that a permanent affair, a portion of the Constitution of Cuba?

Sir GEORGE FOSTER: I do not think so. But changes in the sugar tariff, which was the great incentive to Cuba to make the arrangement, will soon come into operation in the United States, and sugar from Cuba will no longer be in a favoured position in the United States market. When that takes place it may be possible to make some arrangement with Cuba. But at present, while that preference continues, there is not much that can be done. Cuba offers a market for quite a number of our products. The returns under the old service show that in 1912 the value of products exported was $62,969, consisting chiefly of fish, potatoes, paper, lumber, oats and hay.

Mr. MACLEAN: That trade is smaller than it was years ago.

Sir GEORGE FOSTER: I think that is true.

Steam service between Canada and Newfoundland, $70,000.

Sir GEORGE FOSTER: That is the same vote as last year.

Mr. GRAHAM: I thought I saw that one of these vessels had been taken over by the British Government.

Sir GEORGE FOSTER: I have not had notice of it. There was a loss of a ship a few years ago. It was replaced by a very good ship. Both vessels on this route are good ones and the service is very well maintained.

Mr. A. K. MACLEAN: Is this service performed by a line leaving New York and calling at Halifax?

Sir GEORGE FOSTER: No, this is between Sydney and Port aux Basques.

Mr. MACLEAN: It is the Reid Railway Steamship Service?

Sir GEORGE FOSTER: Yes.

Mr. McKENZIE: The Lintrose of this line has been sold to the Russian Government, and has not been replaced on the line, so far as I know.

Sir GEORGE FOSTER: That has not been brought to my attention, and I think the two vessels must be running still.

Mr. GRAHAM: There was an item in the press a day or two ago about it.

Sir GEORGE FOSTER: I will make inquiry about it.

Steam service between Canada and the West Indies, or South America, or both, $340,066.66.

Mr. A. K. MACLEAN: If the minister has the information at hand, I should like to know what the imports and export figures are for the eleven months of the present fiscal year ending February. I am particularly anxious to know the effect of the West India Treaty upon trade.

Sir GEORGE FOSTER: I have not the figures referred to, but I will make a note of the point, and before we are through with these Estimates I will give an answer. I can give the figures of the carrying by this route. I think there was a sailing or two with these new vessels in the latter part of 1913, but the service really began in 1914. There was an unfortunate shipwreck, and one of the vessels went down on the Nova Scotia coast, and that somewhat disarranged the service. I can say generally, from inquiries made the other day, that the freight offerings are very satisfactory, in fact, the agent of the company told me that they were not able to take all the freight that offered from sailing to sailing, and a quantity remains over. The movement of flour has been particularly good. The passengers carried in 1914 in twenty-six trips were 3,287, and the freight 142,718 tons, value $2,618,000. In this there was nothing of United States origin, all being of Canadian origin.

Mr. A. K. MACLEAN: Can the minister inform me whether there are any differences between the Canadian Government and the West Indian Islands, who were parties to the treaty with respect to the interpretation of that treaty? My recollection is that since the close of Parliament last June, there was some difference of opinion in regard to sugar, some change in regard to the Dutch standard. I may not be right as to that, but my recollection is that there was a good deal of correspondence on the subject.

Sir GEORGE FOSTER: The correspondence that took place had reference not to the matter that the hon. gentleman has just mentioned, but to the extension of the preference to outside dependencies. An Order in Council was passed two years ago under which we extended the British preference to all the British dependencies that had not previously enjoyed it, with one or two unimportant exceptions. The question then arose as to what effect that would have on the sugar market, having particular regard to Mauritius sugar. It was felt in the West Indies that this extension of the preference might affect the Canadian market for the West India Island product. As a matter of fact, not a pound of sugar came into this country from Mauritius last year; I understand that Mauritius sugar goes chiefly in other directions. After a good deal of correspondence, it was decided that upon the expiration of the preference given to the other West Indian Islands and British dependencies, the question with regard to Mauritius will be taken up with the consideration of what further general action will be taken in this respect.

Mr. A. K. MACLEAN: There was some question as to the Dutch standard, was there not?

Sir GEORGE FOSTER: The Dutch standard is made up every year in Amsterdam, chiefly from a collection of Java sugars. This standard is made up by traders, and has no official significance in Holland, not being used as a basis of tariff. There was some little difference in colour between the

standard of this year and that of last year, but the new standards are now made up and will be here in the course of a few weeks. There may be no difference between the new standard and standards of the past.

Mr. A. K. MACLEAN: What is the nature of the Order in Council—perhaps I am not describing the instrument properly—under which the British Government, shortly after the declaration of war last year, prohibited the export of sugar from the West India Islands? Did that prohibition apply to exports to Canada?

Sir GEORGE FOSTER: Yes.

Mr. MACLEAN: The West India exporters, under that Order in Council, could export only to the United Kingdom?

Sir GEORGE FOSTER: Yes.

Mr. MACLEAN: Is that Order in Council still in force?

Sir GEORGE FOSTER: No. Great Britain's idea was to make it possible for her to buy all these sugars in the West Indies and other places, to sell them to the British refiners at a certain rate and then to fix the price at which the refiners should sell to the consuming public; this she did. As soon, however, as Canada directed the attention of the British Government to the manner in which this might affect our trade, the prohibition was entirely taken away so far as Canada was concerned.

Mr. A. K. MACLEAN: How long was it in existence? Under its provisions, were large quantities of sugar actually purchased by the British Government?

Sir GEORGE FOSTER: I do not think it operated to prevent any sugar from coming to Canada that would otherwise have come. The prohibition lasted about three weeks; perhaps less.

Mr. A. K. MACLEAN: Do the freight rates between Canada and the West Indies meet with public favour, or is there adverse criticism of them? Are the rates revised each year?

Sir GEORGE FOSTER: The contract is so drawn that the Minister of Trade and Commerce has the power to approve the tariff of rates. No tariff of rates can be put into effect until it receives the assent of the minister. The tariff rates that were instituted when this service was inaugurated were about the same as those which existed under the Pickford and Black arrangement; at the same time the vessels engaged in the service were more commodious and better in every respect. If there were any changes at all in the rates, there were but few; in some cases I think they were a little lower. When the war broke out, bringing with it additional risks and additional transport difficulties, the rates then in force were considered too low. My hon. friend knows that the service between Canada and the West Indies is a very difficult one. Although outward freights have been very good, the very occurrence to which my hon. friend referred, practically took away the major amount of return freight, and shipments coming back were so small, the war risks so great, the rate of wages paid so much higher, that for these and other reasons the company asked for an increase in their rates. To a certain extent I acquiesced in that respect; I did not give them all they asked for, but I did give a fair increase in rates. I would not be able to say there is no criticism, but so far as I can judge, I think the rates are reasonable, and I think that that is the general view. This company have always treated very sympathetically any suggestions I have made with a view to the betterment of the service, and in most instances have done what I thought was reasonable that they should do.

Mr. A. K. MACLEAN: Have these rates been increased ?

Sir GEORGE FOSTER: The rates have been increased, by permission of the department.

Mr. MACLEAN: Why?

Sir GEORGE FOSTER: Simply for the reasons which I have been trying to state. It may be argued that if you subsidize a steamship service, no longer should the general influences which go to make freight rates higher or lower have their force; that the subsidy itself is a guarantee against any increase of freight rates. While that argument has some force, I do not think that under all circumstances it is applicable. After considering the matter carefully, and having regard to the best advice which I was in a position to obtain, I gave this increase in the rates of freight, deeming it to be not unreasonable under the circumstances.

Mr. A. K. MACLEAN: Upon what principle did they ask for that increase ? Was it because of a loss in freight, which would have to be met by an increase in rates, or

was it because they wanted to participate in the world-wide increase in freight rates ?

Sir GEORGE FOSTER: I think I stated, but perhaps not clearly enough, the grounds upon which they claimed the increase. First, owing to the prevailing abnormal conditions, the freight from the West Indies practically fell to nothing. When you take away the sugar business you take away the greater part of return cargo to fill the transport from the West Indies. They were therefore in the position of having a contribution one way of freight that was large, and another contribution the other way that was abnormally small; and that arose from a condition over which neither they nor we had any control. There has also been an increase in wages, and in the price of provisions and coal; so that in view of all these conditions and the war risk I think their ground for an increase a reasonable one.

Mr. A. K. MACLEAN: Will this freight rate tariff remain in force for a year, or does the department reserve the right to amend it in the event of a return to normal conditions?

Sir GEORGE FOSTER: Oh, certainly, we have that right. This is just a temporary increase. When these abnormal conditions pass away or begin to pass away the increase in rates will diminish or pass away along with them.

Mr. MACLEAN: Has this service been increased by inter-island trade in the West Indies?

Sir GEORGE FOSTER: Yes, they have a very good interinsular service. Their services fit in with each other very well; in fact, I think the best possible arrangement has been made in that respect.

Mr. MACLEAN: It is about the same as last year so far as we are concerned?

Sir GEORGE FOSTER: Yes.

Mr. MACLEAN: There is no South American service this year?

Sir GEORGE FOSTER: No, except that the Royal Mail Steamship Company have some interchangeable services with certain ports on the South American coast, and they have made arrangements for through bills of lading and through freights so far as those services are concerned.

Mr. MACLEAN: Just as it was last year.

Sir GEORGE FOSTER: Yes.

Steam service between Canada and South Africa, $146,000.

Sir GEORGE FOSTER: That is the same subsidy as last year, and to the same line, under the same contract. Last year they took out $3,236,000 worth of Canadian freight, and $948,000 of freight of United States origin. The principal freight that goes there is flour, agricultural machinery, calcium carbide, binder twine, automobiles, paper, lumber, cereal foods, wooden ware, furniture and so on. I think that Canada has the great bulk of the paper trade with South Africa, probably 95 per cent, and a large proportion of the flour business with that country. Just within the last few days the department has purchased a large amount of flour for consumption in South Africa itself, for South Africa has always to import a certain quantity of foodstuffs in the way of flour and wheat. Australia, New Zealand and South Africa all had failures with their last corn crop, and are consequently calling upon other countries for supplies.

Mr. A. K. MACLEAN: Is this a direct service?

Sir GEORGE FOSTER: This is a direct service one way, the same as the Australia service. The service has been distinctly favourable to Canada.

Mr. MACLEAN: Are the figures you have quoted of last year's trade higher than the figures for the preceding year?

Sir GEORGE FOSTER: The value of the trade was just about the same, but of course circumstances have been rather against us this year.

Steam service between Halifax, St. John's,, Newfoundland and Liverpool, $20,000.

Sir GEORGE FOSTER: This is the same subsidy as before.

Mr. A. K. MACLEAN: Is this service performed by Furness, Withy & Company, of Liverpool?

Sir GEORGE FOSTER: Yes.

Steam service between Montreal, Quebec and Manchester, England, during the summer season, and between St. John, Halifax, and Manchester during the winter season, $35,000.

Sir GEORGE FOSTER: That is the same as last year.

Mr. PUGSLEY: These steamers carry a certain quantity of lumber, do they not?

Sir GEORGE FOSTER: Not a great deal, except from the maritime provinces, from

which they take some timber, box boards, and the like. From St. John they take deal and lumber. These steamers carry a great variety of freight. Last year they carried goods of Canadian origin to the value of $9,000,000 odd, nearly $1,000,000 more than the preceding year; and of United States origin, $1,705,000, as against $3,000,000 the preceding year, so that Canadian exports show an increase for the year of a little over a million dollars, and United States exports a decrease of a little over a million. The ships take from Montreal chiefly oats, wheat, cereals, oil cakes, hay, lumber, cotton waste, jewellers' sweepings and so on.

Mr. PUGSLEY: It is a very useful service. Have any steps been taken to regulate the freight rates, particularly since the outbreak of war? I notice by the newspapers, and I have heard from shippers of lumber, that the freight rate on lumber has almost trebled since the war broke out. Now, if the Government were to see that reasonable and fair rates were charged—and I think that under the subsidy contracts they have power to control the freight rates—it might do a great deal towards making general freights reasonable. If the subsidized lines would carry at reasonable rates, other steamship companies not subsidized would be obliged to follow suit, I think, to a certain extent.

Sir GEORGE FOSTER: Yes, to a certain extent, provided the call was not so immeasurably greater than could be filled by the subsidized steamers. I do not recollect a single complaint as to rates having been made to the department with reference to this line, and as regards the freight rates of the Manchester line I think I should have heard if there had been any complaints, for such matters very quickly find their way to the department. With reference to our regular lines, the Canadian Pacific railway, the Allan line, and others, I know from personal knowledge that they have kept their own freight rates down, and not only as regards the transport of British Government supplies and our own supplies, but as regards what other freights they have been able to carry in addition. They have kept their rates down to a reasonable level, and I am very glad to know they have not taken advantage of the general rise in charters and freights to exact extortionate rates. As my hon. friend knows, the minister has the power of revising the rates, but it is a very difficult task in these times to decide what a reasonable freight rate is.

[Sir G. E. Foster.]

Winter steam service between St. John, Dublin and Belfast, $7,500.

Sir GEORGE FOSTER: That is the usual vote.

Mr. A. K. MACLEAN: Was the service performed this year?

Sir GEORGE FOSTER: Yes, in a way.

Mr. MACLEAN: Who were the contractors?

Sir GEORGE FOSTER: The same contractors as before, the Ulster Steamship Company Limited, of Belfast, but instead of the usual eight or nine sailings, only four were given. Some of their vessels were taken and the service was disturbed. Of course, we have only paid the subsidy in proportion to the trips they made.

Mr. PUGSLEY: Why is it necessary in these various services between Canada and British ports in the winter season to compel the vessels to make the two ports of St. John and Halifax? Why could not there be some arrangement under which some lines would go to St. John and some to Halifax, so that there would be a direct service to and from each port? There is an added danger and delay in compelling the steamers to make both ports. I do not know whether it is feasible, I do not know whether the people of the two ports would be satisfied or not, but I have always thought that it was a very great mistake, both in connection with the mail and freight service, to compel the companies to make both ports. I believe the people whom I have the honour to represent would not be selfish or unreasonable in the matter, but would be quite willing to have these services fairly divided between the two ports. It seems to me that during the winter season the services between Canada and Great Britain, and between Canada and the West Indies, could be divided between the two ports. The present arrangement adds to the inconvenience, delay and expense of the vessels, and it must add very greatly to the inconvenience of shippers.

Sir GEORGE FOSTER: A good deal of what my hon. friend says may be true, but he and I have lived some considerable time and we have both been acquainted with St. John and Halifax during all that long time. My hon. friend knows that there are some difficulties that stand in the way of an adjustment on this brotherly and economical

basis that he is proposing. As far as this service, and what I may call the smaller services, are concerned, there has been no agitation in the last two years as between St. John and Halifax. They seem to have settled into the way of carrying on the transportation system and—

Mr. PUGSLEY: I suppose they have got tired agitating.

Sir GEORGE FOSTER: It would be courting the fates, I am afraid, if I were to be adventurous enough to propose a change So long as things are going on in peace and quietness, I would rather let them go on.

Mr. PUGSLEY: I am sorry to hear that from my hon. friend. It seems to me that he would be just the one to take hold of this matter, ignore what has taken place in the past and strike out upon the new path which he would consider to be right. It is a great mistake to be satisfied with what has been in the past. We are apt to get into a rut and continue a state of affairs which it is not advantageous to continue. My hon. friend says that there has been no complaint during the last two or three years. He can understand that the people of St. John have got tired of complaining.

Sir GEORGE FOSTER: They will be pretty well tired out if they do not complain.

Mr. PUGSLEY: I do not see why a satisfactory arrangement could not be made that would be more convenient to both sides.

Mr. A. K. MACLEAN: Does my hon. friend refer to passenger, freight and mail services?

Mr. PUGSLEY: Yes, all services. If we could not give a weekly service at each port then I would give a fortnightly service, one week to Halifax and the next week to St. John. In regard to freight steamers, I would pick out the different subsidized lines and arrange for some to go to St. John and some to go to Halifax, so that each port would have a direct service. I am sure it would be an infinitely better service if you had one direct mail steamer running from St. John and one from Halifax. Even if there could only be a fortnightly service from each port you would have a direct service. There is waste of money, there is added danger and inconvenience and neither port gets the opportunity for development which might take place if there were a direct service.

Mr. A. K. MACLEAN: I have no doubt that in so far as the freight service is concerned, there must be a divided service as between St. John and Halifax. St. John is a very important port for export and import trade, and doubtless it will be a port which will in the future handle a great deal of our import and export traffic. I would not care to admit, however, that the same division in steamship services could be as fairly applied to the ordinary passenger and mail steamships. I would prefer to take the position that the steamships should be left to select their own ports and that the Government should make a contract with the companies for the port which they desire. I think they would be the better judges as to the ports which would afford them the best of facilities and which, generally speaking, would be most acceptable to the travelling public. The Government, more than a year ago, adopted as its policy the suggestion I am now making, but under political pressure I fear they were led to abandon it. The Minister of Trade and Commerce could tell us exactly what was the cause of the abandonment of that programme. I do not say he should tell us, but I only mean to say that if he cared to he might and could. There is a distinction between the freight service and the ordinary passenger and mail service. I would like to ask the Minister if there was a contract entered into recently for the Atlantic mail service with the Canadian Pacific Railway, White Star and Canadian Northern lines?

Sir GEORGE FOSTER: For next year?

Mr. MACLEAN: For next year.

Sir GEORGE FOSTER: It is absolutely impossible to make any contracts; there are no vessels for you to contract with.

Mr. MACLEAN: I understand that, but I thought a contract might be tentatively made hoping that normal conditions would shortly be resumed and that the service could again be started up.

Sir GEORGE FOSTER: The trouble about that is that the Canadian Pacific Railway Company, for instance, which contributed most of the vessels, and some very excellent ones, have not a single vessel of that description, and they do not know whether these vessels will come back to them in two months or a year or whether they will ever come back. We have taken the vote so that if matters do arrange themselves we can make a contract, but the

contract will only be made on the basis of the vessels offered.

Winter service between St. John and Glasgow, $7,500.

Sir GEORGE FOSTER: This service is performed by the Donaldson line. They have been interrupted as well, and they made but eleven voyages last year instead of fifteen or sixteen.

Winter service between St. John, Halifax, and London, $15,000.

Sir GEORGE FOSTER: The same remark applies to this; they have made a lesser number of voyages than in preceding years, but they have carried a large amount of freight in the meantime.

Steam service between Canada and Australia or New Zealand, or both, on Pacific ocean, $180,509.

Sir WILFRID LAURIER: What company has this contract?

Sir GEORGE FOSTER: The Union Steamship Company of New Zealand.

Mr. A. K. MACLEAN: Was this service interrupted?

Sir GEORGE FOSTER: These vessels have not been requisitioned, and they are carrying on the service.

Steam service between Canada, China and Japan, $253,333.34.

Sir GEORGE FOSTER: That service has been interrupted, and, in fact, dismantled. The Empresses have all gone, one after another, and the Monteagle is at present the only vessel left.

Steam service between Prince Rupert, B.C., and Queen Charlotte Islands, $16,000.

Sir WILFRID LAURIER: What company conducts this service?

Sir GEORGE FOSTER: The Grand Trunk Pacific Railway Company.

Sir WILFRID LAURIER: Is it a weekly service?

Sir GEORGE FOSTER: There are two round trips each month from November to March, and four round trips each month during the remaining seven months of the year.

Steam service between Victoria and San Francisco, $3,000.

Mr. A. K. MACLEAN: What traffic is there to justify this?

Sir GEORGE FOSTER: This is not justified by traffic, although it has traffic. This is to keep the covenant which was made at Confederation with British Columbia, under which a service was to be kept up between Victoria and Vancouver and San Francisco.

Mr. MACLEAN: Is it at all utilized?

Sir GEORGE FOSTER: Yes. The subsidy at that time was in the vicinity of $20,000. I remember when I was in the Government before, the uselessness of the service, compared with the amount of money expended on it, did not commend itself to the department, and we cut it down to this sum, which is the smallest with which we could keep the traffic alive.

5 p.m.

Mr. MACLEAN: Is it a passenger and freight service?

Sir GEORGE FOSTER: Yes; 3,630 passengers were carried; 3,534 tons weight, and 4,386 tons measurement. The traffic last year was a little less than in the preceding year.

Mr. MACLEAN: In which direction is the greater portion of the traffic?

Sir GEORGE FOSTER: The out traffic in passengers is 200 more than the in traffic. The in traffic in freight is the larger, which will be exactly to the liking of my hon. friend from Red Deer.

Mr. MACLEAN: But it makes out a very strong case against the views of the Minister of Trade and Commerce to maintain a steamship company to carry into Canada so much of American products. The Minister of Trade and Commerce and the member for Red Deer had better get together on that.

Sir GEORGE FOSTER: I am afraid we are as near together as we will ever get on this point.

Mr. MACLEAN: Is there any desire on the part of the people of British Columbia to continue this service?

Sir GEORGE FOSTER: Yes. I made them the offer that I would take this sum of money and put it on any other service, if they would agree to it, but they would not. So long as objection is made the articles of faith must be adhered to.

Mr. MACLEAN: What are the chief products inward?

Sir GEORGE FOSTER: The articles exported are liquors, automobiles, household goods and salmon; the income is bottle caps, cement caps and empty cylinders.

Steam service between Victoria, Vancouver, way ports and Skagway, $12,500.

Sir GEORGE FOSTER: The total distance run on this service is 447 knots; the number of passengers carried was 7,500, and the freight 8,000 tons.

Steam service between Vancouver and northern ports of British Columbia, $16,800.

Mr. A. K. MACLEAN: I suppose this service is to ports in northern British Columbia which are not served by a railway?

Sir GEORGE FOSTER: Yes.

Mr. MACLEAN: Who are the contractors?

Sir GEORGE FOSTER: The Union Steamship Company of British Columbia.

Sir WILFRID LAURIER: Does that include the service between Vancouver and Prince Rupert?

Sir GEORGE FOSTER: The regular sailings are from Vancouver to Granby Bay, which is on Osbervatory Inlet.

The service takes in the northern British Columbia ports from Vancouver Island.

Steam service, from the opening to the closing of navigation in 1915, between Gaspé Basin and Dalhousie or Campbellton, $20,000.

Mr. MARCIL: Will the minister explain that item?

Sir GEORGE FOSTER: I think my hon. friend knows that item as well as I do, and the section of country which is served. I will explain the situation of the matter as it is. This service was performed between Gaspé Basin and Dalhousie and Campbellton. The old service was carried on by the Gaspé and Baie des Chaleurs Steamship Company. Last year the proprietor of that line died, and the estate was not able to carry on the service. An arrangement was made for two years by which the service, which was then semi-weekly, should be made a weekly service, and the amount paid was half of the old subsidy. This service was undertaken by the present company, which put on two boats, the Gaspesia and the old Canada. The boats ran all the way through to Montreal, thus making the weekly service. No subsidy was given either theoretically or practically for the service between Gaspé and Montreal, because there are other subsidized services on that line; but it was considered by this company that it would be profitable to it if it extended the service to Montreal. The company therefore ran its two boats to Montreal and did a better business for itself. I cannot say that the service in that way was at all satisfactory to the people between Gaspé and Campbellton. It certainly was not satisfactory, because what the people asked for was the old semi-weekly service. I had some negotiations with the company, and it was willing to take up the semi-weekly service between Gaspé and Campbellton with the steamship Gaspesia, but it asked the sum of $20,000 to do it. The company is under contract to carry on the service as last year until the end of the present year. I made the company an offer of $15,000 for this service, if it would put on the Gaspesia between Campbellton and Gaspé. At present I do not see my way clear to give $20,000 for that service, and the company does not see its way altogether clear to perform it for any less. The company can stand upon its contract and run the service until the end of 1915 as it was run last year. Unless either the company or I come to a better frame of mind on the subject, that is the way in which the matter will have to stand.

Mr. MARCIL: I understand that the merchants on the coast are quite willing that the service to Montreal should be kept up, because the minister will understand that it is a great economy to carry by water all the goods that are required in our district. As regards the service between Campbellton and Dalhousie and Gaspé, especially during the months of May, June and July, during the fishing season, it is very important that there should be a semi-weekly service between those points. The minister should stretch a point and see that that service is put on, if not for the whole season, at least for half of the season. I know that the minister has had representations from Campbellton and Dalhousie. I hope that he will give the matter full consideration.

Sir GEORGE FOSTER: I certainly will do so.

Steam service between Halifax and Canso, $5,000.

Mr. KYTE: What steamer is performing that service?

Sir GEORGE FOSTER: The Scotia.

Steam service between Halifax and Newfoundland via Cape Breton ports, $10,000.

Sir GEORGE FOSTER: That service is being carried on by the Seal, an excellent vessel, which gives a good service.

Mr. McKENZIE: Can the minister tell me at what ports in Cape Breton the Seal proposes to call?

Sir GEORGE FOSTER: Halifax to St. Peter's, St. Peter's to Grand Narrows, Grand Narrows to Baddeck, Baddeck to North Sydney, North Sydney to Sydney, Sydney to Ingonish, Ingonish to Neil's harbour, Neil's harbour to Aspy bay, Aspy bay to St. Paul's island, St. Paul's island to Channel, Channel to Codroy, Codroy to Bay St. George, Bay St. George to Bay of Islands, Bay of Islands to Bonne Bay. If there is any other bay or island there than those, the Seal would probably call at them. She seems to cover most of them.

Mr. McKENZIE: What will happen when the St. Peter's canal is closed? Some of those ports are available only by reason of the fact that the Seal goes through that canal.

Sir GEORGE FOSTER: It was closed last year.

Mr. McKENZIE: It is not closed yet.

Mr. KYTE: I understood that the Department of Railways and Canals had determined to close the canal and complete the improvements.

Steam service between Halifax, Spry Bay and ports in Cape Breton, $4,000.

Mr. KYTE: This is the only steamship line that gives an all-year-round service in eastern Nova Scotia. I am particularly interested in this because it is the only means of communication we have by water between Halifax and the constituency I have the honour to represent. The contract expires, I think, about the 21st of March. Will a new contract be made in due course?

Sir GEORGE FOSTER: If not already made it will be made.

Steam service between Halifax, South Cape Breton and Bras d'Or Lake ports, $4,000.

Mr. McKENZIE: Is this vessel, the Scotsburn, assigned to call at any particular ports?

Sir GEORGE FOSTER: The same ports as last year.

Mr. McKENZIE: I am anxious that she should call at the northern ports in Victoria county. When steamers are subsidized it is desirable that they should make calls at ports not otherwise reached. They are only too anxious to slip these calls if they are allowed to do so.

Sir GEORGE FOSTER: The ports called at are Halifax, St. Peter's, Grand Narrows, Iona, Baddeck, Sydney, North Sydney, Glace Bay, Port Morien, Main-a-dieu, Louisburg, Gabarus, East Bay, Johnston's Harbour, Irish Cove, Big Pond and Castle Bay.

Mr. McKENZIE: It does not go north at all. It is highly desirable that these ports should be called at.

Sir GEORGE FOSTER: This is the same list as last year.

Mr. McKENZIE: The northern part of Victoria is a great fishing centre, and it is sometimes very difficult for the fishermen to get their catch to Halifax. As this is a subsidized service, it would be of great advantage to have a vessel call at these ports.

Sir GEORGE FOSTER: Perhaps some other service goes there.

Mr. McKENZIE: At these places along the Bras d'Or lakes, where the railroad runs and where the boats are almost knocking against one another, it is not so important to have a subsidized service as at places along the coast where there are no railroads.

Steam service from the opening to the close of navigation in 1915 between the mainland and the Magdalen Islands, $18,000.

Mr. A. K. MACLEAN: Has the minister ever had a request from Mr. Leslie for a subsidy for a service between some Nova Scotia point and the Magdalen islands?

Sir GEORGE FOSTER: On several occasions, but not this year.

Mr. MACLEAN: The minister must have discouraged him very much.

Sir GEORGE FOSTER: There was no very great encouragement given last year, though he was listened to and we discussed the matter. But it does not seem possible to run a double service to the Magdalen islands, and the service now under discussion is the old-established line, and far the quickest route for mail.

Mr. MACLEAN: Mr. Leslie's application has strong support from the Halifax Board of Trade and those interested in fisheries, and I believe the service would be of great advantage to the people of the Magdalen islands. I hope that if the matter is again presented the minister will look at it more favourably, at least that the minister will not discourage the applicant.

Sir GEORGE FOSTER: I shall be glad to see him.

Mr. MARCIL: Has the minister had an application for a subsidy for a service between the Magdalen islands and the mainland of Gaspé to which the islands belong?

Sir GEORGE FOSTER: Not that I remember.

Mr. MARCIL: The present service is from Pictou?

Sir GEORGE FOSTER: Yes, a very good vessel and a very good service.

Steam service between Petit de Grat and Intercolonial railway terminus at Mulgrave, $7,000.

Sir GEORGE FOSTER: Mr. Leslie is the contractor for this service.

Mr. KYTE: Has the minister received word as to inefficiency of the service in the winter time?

Sir GEORGE FOSTER: Representations were made last autumn and winter. But at a certain season, as the hon. member knows, it is very difficult to make some of these ports, and you do not want to impair the ship. I think the company has done its best under the circumstances.

Mr. KYTE: The complaint that I have in mind is that he is obliged to lay the steamer up for inspection and repair at certain seasons of the year, and that he does not carry on the service with another boat during that time. The company which performed that service previously had several boats, and when the regular boat was laid up for repairs, the service was not interrupted. I suppose the contractor could hardly be expected to keep two boats on hand for the purpose of performing this service.

Sir GEORGE FOSTER: There is a provision in the contract whereby he is permitted to lay off for two weeks in winter and two weeks in summer. These are comparatively short periods.

Schooner service between Pictou, New Glasgow, Antigonish and Mulgrave, $1,000.

Mr. WILLIAM CHISHOLM: Has an application for increased subsidy in connection with this service been received this year?

Sir GEORGE FOSTER: Some correspondence has been had with regard to an increased subsidy, or, more properly, with regard to the placing of a different kind of vessel on the route, which would involve a larger subsidy. It is not possible during war time to accede to these requests.

Mr. CHISHOLM: I think this is the only schooner service along the coast. Until a few years ago, we had a steam service. The service performed by the schooner is very satisfactory, all things considered, but the trouble is that the harbours have been neglected and steamboats are not able to reach the wharves. During the years 1912, 1913 and 1914 money was provided for the necessary improvements, but the work has not been done, and as a result we now have a schooner service instead of a steam service. If the minister has any influence with the Minister of Public Works, I would ask him to do something in the way of having repairs made to the wharves and breakwaters, and to have dredging done at these ports which will ensure it as satisfactory a service as we have had in the past.

Sir GEORGE FOSTER: It is true that because of the shallow water it is difficult for large boats to get into these ports. As to how much influence I may have with the Minister of Public Works, I do not quite know; I will try him and see.

Steam service from the opening to the closing of navigation in 1915 between Pictou, Mulgrave and Cheticamp, $7,500.

Mr. A. W. CHISHOLM: Is it the intention of the department to subsidize a schooner to operate along a portion of this route?

Sir GEORGE FOSTER: No, it is not.

Mr. CHISHOLM: That is unfortunate. The port of Margaree is in pretty bad condition and a steamboat would be of no use, because it would not be able to get to the wharf. If a schooner were subsidized to run say from Margaree to Mulgrave, it would be a great help to the people living round that port. There was a time when a steamer could get into that harbour, but unfortunately, like other ports along the coast of Antigonish county, this port has been neglected. $10,000 was provided in 1910-11 to effect an improvement in the condition of the harbour, but the amount has not been spent. I am sorry that the minister does not see his way clear to provide a small subsidy for a schooner along with route.

Sir GEORGE FOSTER: As my hon. friend will see, I am not adding any increases by way of subsidies. I am afraid that if I once departed from the rule, the whole fence would come down.

Steam service between Prince Edward Island and Cape Breton and Newfoundland, $16,500.

Mr. McKENZIE: What are the ports of call?

Sir GEORGE FOSTER: The service is carried on by the Dominion Coal Company, Limited, between Montreal and Newfoundland, with calls at Prince Edward Island

and Cape Breton ports. It is practically applicable to Prince Edward Island in that it gives the island the advantages of regular calls for the traffic which during certain months of the year it carries on to a considerable extent with Newfoundland. The ports of call are: in Prince Edward Island, Summerside and Charlottetown; in Nova Scotia, North Sydney and Sydney; on westbound trips, Sydney.

Mr. McKENZIE: The terms of last year were similar to these?

Sir GEORGE FOSTER: Yes.

Mr. McKENZIE: I understand that the steamer, although it made regular trips into Sydney harbour, did not call at the port of North Sydney, which is named as one of the ports of call. I hope the minister will see to it that the company carry out their contract.

Sir GEORGE FOSTER: The calls at Summerside and North Sydney are conditional upon there being a sufficient depth of water and a reasonable amount of freight offering at those ports. I have not received any complaints with reference to either of these ports, but I shall be glad to consider any representations which may be made.

Mr. McKENZIE: The complaint may not have reached the minister last year, but it is said that a considerable amount of freight for North Sydney was taken by the steamer to Sydney, and that the consignees had to get it over on the ferry or the best way they could. The boats of the Reid Newfoundland Company call at the terminus of the Intercolonial railway at North Sydney; there is quite a depth of water there, and I do not see why the boats of this company should not call there also.

Sir GEORGE FOSTER: I do not know that they have said that there is not a sufficient depth of water there, but I will look into the matter.

Steam service between Rivière du Loup, Tadoussac, and other north shore ports, $6,000.

Sir WILFRID LAURIER: Is that a summer service alone?

Sir GEORGE FOSTER: Yes.

Steam service between St. John and Bridgetown, $2,500.

Mr. A. K. MACLEAN: Does this steamer call at Digby and intermediate ports?

Sir GEORGE FOSTER: Thirty-two round trips are made between St. John and Bridgetown, calling at Ray's Creek, Tupperville, and Round Hill; and on and after June 1, 1914, calling fortnightly at Clementsport and Deep Brook.

Steam service between St. John, Digby Annapolis and Granville, viz., along the west coast of the Ananpolis basin, $2,000.

Mr. A. K. MACLEAN: Is this not a duplicate of the service mentioned in item 210?

Sir GEORGE FOSTER: It is not a duplicate, with the exception of that part of the way from St. John across. It is not a duplicate at the ports.

Mr. MACLEAN: Would the minister consider restoring the subsidy that was paid to the other steamship line between St. John and Bear river? It is a very important service, but the subsidy was withdrawn two or three years ago, and for reasons which never appeared to me very sound. Has the minister been asked to restore that subsidy?

Sir GEORGE FOSTER: I think there has been some correspondence about it.

Mr. MACLEAN: There always has been some correspondence about it.

Sir GEORGE FOSTER: I will look it up and give my hon. friend the facts.

Mr. MACLEAN: I would rather see the people who were giving that steamship service before get the subsidy, and the minister can keep his facts. I do not think the company was treated quite right.

Sir GEORGE FOSTER: I shall be willing to discuss it with my hon. friend when I get the facts, or be very glad to have him talk it over with me at any time. There was no politics in the withdrawal of the subsidy; it was a question of economy, and advantage to the public service.

Steam service or services between St. John, Westport, and Yarmouth and other way ports, $8,500.

Mr. LAW: What boats are performing that service?

Sir GEORGE FOSTER: The Westport III of the Insular Steamship Company, and the John L. Cann, of Cann & Sons, Limited.

Mr. LAW: Does the minister propose to take $800 off the contract with Hugh Cann & Sons and hand it over to the Insular Company? I understand they were notified to that effect.

Sir GEORGE FOSTER: The question is up with reference to the Insular Company and the Hugh Cann Company. During the latter part of the fall the Westport III intermitted her trips on the ground that she

was losing money. The subject was brought to my attention, and we now have a vote of $8,500 for this service. I am trying to arrange for a reasonable and equitable division of the subsidy between the Insular Company and the Hugh Cann Company, so as to keep both these services going.

Mr. LAW: What are the amounts paid to each?

Sir GEORGE FOSTER: The Insular Company received $2,271.63, and the Hugh Cann Company $5,871.18. The Westport III has a trackage of 132 miles, and the other vessel a trackage of 96 miles. The contention of the Insular Steamship Company is that they receive a smaller portion than is their due, and I am trying to make an equitable division between the two companies, either on the basis of the same number of trips, or, if the pay is not sufficient, by cancelling a few of the trips. Both of these are important services, and I wish to come to a conclusion which will be agreeable to the two companies.

The Westport III serves a portion which has no other service, and the intermission of this for a few weeks last fall was very bad for the fishing industry.

Mr. LAW: I am sorry that a difficulty has arisen between these two companies. The services performed by both are very important indeed, and I am confident that at the present subsidy there is no money in it for either. Messrs. Hugh Cann & Company have informed me that if the minister carries out his notice to them, that their subsidy will be reduced by $800, tney will have to take their boat off. Their service was carried on with great regularity during the year, not a single trip being missed; and by the 31st March next, they will have made 12 more trips than the contract calls for. This is a most important service to the south of Yarmouth; goods are transferred at Yarmouth and go to the ports in Shelburne county. If that boat is taken off it is going to be a great inconvenience to the merchants of Yarmouth and the merchants on the shore to the south of us. I trust the minister can see his way clear to keeping the amount paid to Hugh Cann and Sons the same as it was last year, and also that he may be able to supplement by a few hundred dollars—say $800—the amount paid to the Westport Steamship Company. They have an excellent service and they are doing a lot of good to the different ports at which they call. It would be a great inconvenience to the merchants of Yarmouth if these services were interfered with. We have the Canadian Pacific railway; the goods heretofore have had to come to Digby, they have had to be reshipped there and they come to Yarmouth, but not in the order in which they are loaded at St. John and brought direct to Yarmouth. I do hope the minister will consent to the increase of $800, which I think the Westport Company are entitled to. I know that they have not made a dollar and that if the amount of the subsidy is not increased they will have to take their boat off. It is the only case in which I would advocate any increase in the expenditure this year, and I do it because they should certainly have this small amount.

Sir GEORGE FOSTER: I quite agree with what my hon. friend says as to both of these services. If I can keep them both on I will be glad to do so.

Steam service during the season of 1915 between Sydney and Bay St. Lawrence, calling at way ports, $6,000.

Mr. McKENZIE: Is there any change in the service there?

Sir GEORGE FOSTER: The same as last year.

Expenses in connection with the supervision of subsidized steamship services, $3,000.

Mr. A. K. MACLEAN: Was this amount expended last year, or is there an official attached to the department who performs this service?

Sir GEORGE FOSTER: We have a regular official of the department who gives his whole time to the work of supervision during the season of navigation. He goes over all the routes, calls at all the ports and makes inquiries as to the convenience of the transfers. He supervises the sanitary and other arrangements of the steamships, and I must say he is a good officer and that his work has had an excellent effect upon the service.

Mr. A. K. MACLEAN: What is his name?

Sir GEORGE FOSTER: Tupper—a good name.

Mr. MACLEAN: It was once.

Mr. LAW: How often is he supposed to go?

Sir GEORGE FOSTER: He goes over the route once each year at least, and if there is any special necessity to make an examination he is sent to make it.

Mr. PUGSLEY: This pays for his travelling expenses?

Sir GEORGE FOSTER: This pays for his salary and travelling expenses.

Mr. A. K. MACLEAN: May I ask the minister whether the statutory votes immediately under the items we have been considering will be expended this year, or are they for interrupted services?

Sir GEORGE FOSTER: The first one, the Canada, China and Japan service, is wholly interrupted, and the other, the Canada-France service, is partially interrupted.

Mr. MACLEAN: I see that the total amount voted, and including the statutory votes, is $2,962,000. Will the minister inform the committee what proportion of the amount he expects will be expended during the next fiscal year?

Sir GEORGE FOSTER: I cannot tell exactly, but I should say that of the Atlantic ocean services, outside of the large vote of $1,000,000, we shall expend the whole. With reference to the Pacific ocean services, with the exception of the Canada, China and Japan service, we will probably expend the whole, unless something occurs that has not occurred this year in the way of disturbance. In the local services I think every one of them will eat the whole amount that is appropriated to it, because the services are constant. They are going on, they are not interrupted, and the contract generally is pretty well lived up to. While there may be the omission of a few passages, it will not amount to a great deal. There will probably be an expenditure of between $2,250,000 and $2,500,000.

At six o'clock the House took recess.

The Committee resumed at eight o'clock.

Indians—Ontario; relief, medical attendance and medicine, $11,000.

Mr. GRAHAM: How is that money spent?

Hon. W. J. ROCHE (Superintendent general of Indian Affairs): The Indians in the northerly section of Ontario, north of Lake Superior and in James bay district, depend largely on the chase for their living. In consequence of the war the Hudson Bay Company and other fur-traders are this year limiting their purchase of furs, and it is expected that the Government will have to outfit the Indians this year instead of the fur-traders, as formerly. It is contemplated that we will have to distribute more relief to destitute Indians and consequently there is an increase of $4,000 in this vote.

Mr. PROULX: How many Indians reserves are there in Ontario?

Mr. ROCHE: There are over thirty.

Mr. GRAHAM: I presume there will be no extra relief required for the Indians on reserves in the older portions of the province; this is for the Indians who depend mostly on the fur trade?

Mr. ROCHE: Yes.

Indians—Quebec; relief, medical attendance and medicine, $17,000.

Mr. MARCIL: How many Indian reserves are there in Quebec?

Mr. ROCHE: About sixteen.

Mr. MARCIL: What are they?

Mr. ROCHE: Bécancour, Bersimis, Cacouna, Caughnawaga, Lorette, Micmacs, Maniwaki, Maria, Mingan, North Timiskaming, Oka, Restigouche, Seven Islands, St. Regis, St. Francis.

Mr. MARCIL: What is the total Indian population of Quebec?

Mr. ROCHE: Nearly 13,000.

Mr. MARCIL: Is it growing?

Mr. ROCHE: It remains about stationary.

Mr. GRAHAM: Are the Quebec Indians affected by the war as are the Ontario Indians?

Mr. ROCHE: The Northern Quebec Indians will be. The Indians in Quebec have very little funds of their own from which they can draw, and we have to maintain a great many of them especially in the outlying reserves.

Mr. MARCIL: What is the population of the Restigouche Reserve?

Mr. ROCHE: 523; it is about stationary.

Mr. MARCIL: How many Indians are there at Maria?

Mr. ROCHE: 117.

Mr. MARCIL: Is there a physician appointed permanently for these Indians or do you employ a medical man as he is required?

Mr. ROCHE: At some of them, Restigouche for example, we employ a physician as he is required.

Mr. MARCIL: Is that found to be more costly than if you had a permanent physician?

Mr. ROCHE: It depends on the proximity of the medical man to the reserve and the number of patients. In some cases we would not be warranted in paying a medical man a salary and in other cases the salary works out to better advantage perhaps.

Mr. MARCIL: Is a medical man employed at the request of the Indian agent or of the Indians themselves?

Mr. ROCHE: The agent employs him.

Mr. MARCIL: Has the agent to employ a man named by the department?

Mr. ROCHE: Where the Indians do not themselves contribute towards the expense, they are not permitted to take their own physician. The department I think generally employs the physician recommended by the Indian agent. Sometimes the department cannot recommend a man because it does not know whom to recommend.

Mr. MARCIL: What was spent for medical service on the Restigouche reserve last year?

Mr. ROCHE: Dr. Frenette, $73.05; Dr. A. Martin, $388; Dr. L. G. Pinault, $18.25.

Mr. MARCIL: What is the residence of Dr. Frenette?

Mr. ROCHE: I do not know.

Mr. MARCIL: Dr. Martin and Dr. Pinault reside in Campbellton. Dr. Frenette is a stranger to me. The hon. member for Rimouski (Mr. Boulay) recommended a doctor who resided about forty miles away from the reserve. Whether this Dr. Frenette resides at Campbellton or not, I do not know. The minister would be at a disadvantage employing for political purposes people living at a distance from a reserve. The agent began to do some road making last year and the year before on the Maria reserve. I had a letter asking that more work be done on that road. What has been done?

Mr. ROCHE: $500 was spent on that reserve last year.

Mr. MARCIL: Does that complete the work?

Mr. ROCHE: There will very likely be spent a similar amount during the present season.

Mr. MARCIL: How is that work done? By day labour by the Indians?

Mr. ROCHE: By day labour. Indians being employed as far as possible.

Mr. MARCIL: I suppose the work is under the control of the agent.

Mr. ROCHE: Yes.

Mr. MARCIL: Was there any trouble on the Restigouche reserve in connection with the saw-mill there?

Mr. ROCHE: No.

Indians—Ontario and Quebec; general legal expenses, $5,500.

Mr. W. M. MARTIN: I understand the department has some legal men attached to it? It is difficult to understand what work should be done by lawyers not connected with the department that could not very well be done by those officials of the department who are legal men.

Mr. ROCHE: We have a law clerk in the inside service, but those expenses are in connection with outside work. The case of the Oka Indian reserve had to be carried to the Privy Council, and it involved a considerable expenditure. We had to engage some Montreal lawyers. In the last few years there have been a large number of cases in Canada which have been paid out of this appropriation.

Mr. W. M. MARTIN: Does the department undertake the defence of Indians who are charged with crimes in different parts of Canada? In such cases, does the department pay counsel to conduct their defence?

Mr. ROCHE: Not unless the offence is a capital one.

Mr. GRAHAM: This item is for legal expenses in Ontario and Quebec. How are the expenses divided between Ontario and Quebec?

Mr. ROCHE: The appropriations are grouped under Ontario and Quebec legal expenditures. I have a list of the cases that have been tried, some of which are in Quebec and some of which are in Ontario. I have not any tabulated statement as to how many of them are in Ontario and how many in Quebec.

Mr. GRAHAM: Has the minister the names of the Ontario legal men who were engaged?

Mr. ROCHE: There is the case of Booth vs. the King, on which were engaged Chrysler and Bethune. J. C. Judd was engaged in connection with the Cayuga Indians. A. B. Thompson was engaged re

the Rama Indians. Macdonald, Shepley, Donald and Mason were also engaged. Those are the names of the lawyers from the province of Ontario.

Mr. GAUVREAU: I would like to call the attention of the minister to a special case in my own riding. At the present time we have a few members of a tribe called the Malecites who are scattered over the country. Only one family lives in the town in which the reserve is. The man's name is Baptiste Launière, and he is very poor. On the reserve there are two lots with pulp wood on them. I would advise the minister to take note of the matter, and see if he can find his way clear to sell those two lots and give the money to the Indians, as the department used to do before. The reserve is located in the township of Whitworth in the county of Temiscouata. During last fall I was obliged to write to the department asking it to permit that poor Indian to cut some pulp wood, because the agent down there was very hard to deal with and wanted to keep the pulp wood. After writing the department twice, I succeeded in having permission given to that poor Indian, who was nearly starving, to cut some pulp wood on those two lots.

Mr. ROCHE: I understand that some relief was given in that particular case.

Mr. GAUVREAU: Yes, but after I wrote twice to the department. I had to tell the department to put its agent right and to make him take a little more care of the Indians under his charge.

Mr. WM. CHISHOLM: Will the minister say whether it is permissible to cut pit-props on Indian reserves, and to sell them to any person that chooses to buy ?

Mr. ROCHE: On some reserves they cut pit-props quite extensively.

Mr. CHISHOLM: Is it permissible in Nova Scotia?

Mr. ROCHE: I think so.

Mr. CHISHOLM: Is there any penalty for purchasing pit-props cut by the Indians on the reserves there?

Mr. ROCHE: If the props are cut in trespass or if they are not cut according to our regulations, there is a penalty.

Mr. CHISHOLM: I have a case in mind which arose a year or two ago. The Indians on a reserve in Antigonish, being industrious, cut pit-props and sold them to a dealer who had been in the habit of buying year after year and who paid the regular market price. Soon after he was waited on by a so-called officer of the department—I do not know whether that officer had authority or not. Then a man was put in charge of the props and the props were loaded with others on a car. The purchaser was subjected to a penalty of $15 and also expenses of something like $25 or $30. So, not only had he to pay for the props, but he also had to pay a penalty exacted by the department, and on top of that something like $1.50 a day for a fortnight or more that the man was in charge.

Mr. ROCHE: The props were cut in trespass.

Mr. CHISHOLM: The purchaser was not a trespasser. The Indians brought in the props in the usual way and were paid in the usual way. But somebody got busy and the purchaser was penalized.

Mr. MARCIL: Have the fur operations in northern Quebec been profitable? Are they self-sustaining?

Mr. ROCHE: They had a fairly good year, but they are not self-sustaining; the department has to assist them.

Mr. MARCIL: Are the furs taken in northern Quebec sold to one or two companies?

Mr. ROCHE: The Indians dispose of them where they please.

Mr. MARCIL: What about the liquor business there, is it extensive or is it well controlled by the department?

Mr. ROCHE: We have not had many complaints, and very few serious ones. We have officials for the express purpose of keeping down the illegal traffic in liquor and keeping liquor away from the Indians. We recognize that it is very injurious to the Indians in Quebec or any other province, and we have had comparatively little trouble with it in the past year.

Mr. MARCIL: The general tone among the Indians as to morality and temperance is improving, is it not?

Mr. ROCHE: Yes.

Mr. GRAHAM: I think it would be interesting if the minister would give a statement to the country of the Indian population at the present time. Is it increasing or decreasing? And could he tell us, also, the difference, if there is any, between the relations with the Government of Indians on a reserve like that of the bay of Quinte and Indians in the Northwest.

Mr. ROCHE: I have here the report of the Department of Indian Affairs, which will give the information in as direct a form as possible. It says:

There has always been a good deal of interest manifested in the question of Indian population, and I am glad to say that, while some bands show a considerable increase and others a slight decrease, the total population remains approximately 100,000. The table immediately following shows a net decrease of 2,716. This, however, does not mark an actual decrease in numbers by death or emigration. It is difficult to secure accurate statistics for the interior of the far North, and it was thought advisable to eliminate from the census returns that were merely conjectural. Gradually, as this part of the country opens up and becomes more accessible, it will be possible to secure reliable statistics.

Examination of the table referred to will disclose decreases in Manitoba, New Brunswick, and Prince Edward Island, besides that already mentioned in the Northwest territories. In Manitoba there is a decrease of 532, in New Brunswick 14, and in Prince Edward Island 4. Increases will be found in the other provinces; Ontario heading the list with 342, while British Columbia shows an increase of 198, Yukon 139, Quebec 93, Saskatchewan 80, Alberta 52, and Nova Scotia 32.

It is impossible to secure an accurate yearly census of the Eskimos, and their population is shown as 3,447, the same as last year.

The hon. member wanted the figures showing the actual Indian population of Canada. They are as follows:

Provinces and Districts.	Population.	
	1913.	1914.
Alberta	8,229	8,281
British Columbia	25,172	25,370
Manitoba	10,822	10,290
New Brunswick	1,920	1,906
Nova Scotia	2,018	2,050
Ontario	26,077	26,419
Prince Edward Island	292	288
Quebec	12,842	12,935
Saskatchewan	9,699	9,779
Northwest Territories.	8.030	4,928
Yukon	1,389	1,528
Total	106,490	103,774
Eskimos	3,447	3,447
Total	109,937	107,221

Mr. MARCIL: Is Ungava included with Quebec?

Mr. ROCHE: Yes.

Mr. MARCIL: Can the minister give us the figures for Ungava separately?

Mr. ROCHE: I have not that before me.

Mr. MARCIL: Are there reserves in Ungava under the control of the department?

Mr. ROCHE: No.

Mr. GRAHAM: A fair inference from the figures that the minister has given is that the Indians of Ontario are more prosperous than those of other parts of Canada. Though they number over 26,000, the expense of looking after them is comparatively small.

Mr. ROCHE: They are more largely self-supporting.

Mr. GRAHAM: That brings me to my other question—the difference, if any, in relations with the Government as between the Indians of a reserve like the bay of Quinte Reserve, and the Indians of the reserves in the West.

Mr. ROCHE: The Indians of the Bay of Quinte reserve are entirely self-supporting, so that they cannot very well be compared with the Indians of the reserves in the Northwest, to whose relief we have to come each year.

Mr. GRAHAM: Self-supporting Indians are the wards of the Government, are they not?

Mr. ROCHE: Yes. Of course, the Bay of Quinte Indians have trust funds of their own.

Mr. GERMAN: If I may be pardoned for interrupting the consideration of the Estimates, I wish to announce to the Minister of the Naval Service that I have just received a wire containing the information that the village of Port Colborne in the county of Welland, which has a population of less than two thousand, collected for the patriotic fund $13,000 in two days, or over $6 per head of the population.

Mr. MARCIL: I think the hon. member for Welland (Mr. German) deserves to be congratulated. I met the hon. member for St. Antoine (Mr. Ames) a couple of nights ago, and he told me that Quebec is still ahead of Ontario.

Indians—Ontario and Quebec; general expenses, $51,075.

Mr. GRAHAM: What do these general expenses consist of?

Mr. ROCHE: General expenses of management at the different agencies, including salaries, office expenses, clerical expenses, travelling expenses. There is a reduction of over $700 under that head.

Mr. GRAHAM: When the item respecting Indian schools is reached, I would like the minister to give a statement as to the number of schools, the number of pupils, and what advancement the Indians are making along the line of education.

Indians—Nova Scotia, salaries, $6,200.

Mr. MACDONALD: Will the minister explain the increase?

Mr. ROCHE: This is an apparent, not a real increase. The salaries of two Nova Scotia superintendents, which were voted under the heading of general expenses, have been put under the heading of salaries; this accounts for the difference.

Mr. CARVELL: Was a new superintendent appointed within the last year or two?

Mr. ROCHE: Superintendent Foster was appointed, I think, within the last year.

Mr. MACDONALD: Whom did he succeed?

Mr. ROCHE: It was a new appointment.

Mr. MACDONALD: What rendered the new appointment necessary?

Mr. ROCHE: There are two superintendents in Nova Scotia, Mr. Boyd and Mr. Foster. I cannot of my own personal knowledge say very much about Mr. Foster, because his appointment was made during my absence. I presume, however, that it was made on the recommendation of the inspector, the agents, and the deputy superintendent general.

Mr. MACDONALD: I think this is a case in which my hon. friend should economize. It takes $6,200 to pay salaried officials to look after 2,000 Indians in Nova Scotia, an increase of $3,600 over last year. It is simply putting the fifth wheel on the coach to appoint another superintendent in Nova Scotia, and I think my hon. friend the minister will have very great difficulty in justifying the appointment on any other ground than that Mr. Foster, who is a very estimable gentleman, was a good political servant. In this year of special taxation upon the people, I think the minister ought to consider whether or not he can get along with one superintendent down there.

Mr. KYTE: Has the number of Indian agents in the province of Nova Scotia been increased within the last couple of years?

Mr. ROCHE: During the last two or three years I think but one additional appointment has been made.

Mr. KYTE: Where was that appointment made?

Mr. ROCHE: At Windsor, Hants county.

[Mr. Graham.]

Mr. KYTE: How many agents are there in Hants county at the present time?

Mr. ROCHE: Two.

Mr. KYTE: How many Indians are there in Hants county?

Mr. ROCHE: Eighty.

Mr. KYTE: What salary is paid the agents in Hants county?

Mr. ROCHE: The large amount of $100.

Mr. KYTE: It is quite large for the work they have to do. Is that the usual salary paid to agents in Nova Scotia?

Mr. ROCHE: The highest salary is $200.

Mr. KYTE: Who receives the highest salary?

Mr. ROCHE: Mr. Chisholm, at Halifax, Mr. Freeman, at Lunenburg; Mr. Macdonald, at Richmond.

Mr. KYTE: The salary paid the former Indian agent at St. Peter's was $100. Upon whose request was the salary of the present agent increased to $200?

Mr. ROCHE: I presume in the first place at the agent's own request, and then on the recommendation of the heads of the department, who considered that the agent was doing sufficient work to warrant the increase. $100 is a very small salary.

Mr. KYTE: Has the department any official record to show that the present agent is doing more work than his predecessor?

Mr. ROCHE: If they have not, they certainly have something to show that it costs a good deal more to live to-day than it did two or three years ago.

Mr. KYTE: Is the present agent dependent on his salary as Indian agent for his living?

Mr. ROCHE: I presume not, but every little counts.

Mr. MICHAUD: Has the Indian population increased to any extent?

Mr. ROCHE: No, it is about stationary.

Mr. WILLIAM CHISHOLM: What is the salary of the agent at Antigonish?

Mr. ROCHE: $200.

Mr. LAW: What does the agent in Yarmouth get?

Mr. ROCHE: $50.

Mr. LAW: The agent at Yarmouth gets $50, and the agent at Hants $200. I do not think that is justice.

Mr. ROCHE: That is the salary he has been getting for a number of years.

Mr. LAW: I am surprised at the amount of money that is being spent in paying officials who have practically nothing to do. I see that $8,000 is being given for the relief of the Indians all over Nova Scotia. Why is this money not divided amongst the Indians, who certainly need it more than some of the agents who get this money? I think the minister might very well increase the salary of the agent at Yarmouth from $50 to $100.

Mr. KYTE: Do I understand that the only cause for increasing the salary of the agent in Richmond was the increased cost of living.

Mr. ROCHE: I did not say that.

Mr. KYTE: That is the only reason the minister gave.

Mr. ROCHE: I said there was nothing on file to show whether there had been an increase in the work.

Mr. KYTE: Has there been any increase in the number of Indians under his authority?

Mr. ROCHE: Very little.

Mr. KYTE: Has there been any increase at all?

Mr. ROCHE: I do not think so.

Mr. KYTE: As a matter of fact, there has not been. Does this item include the salaries of teachers in the Indian schools?

Mr. ROCHE: No.

Mr. MACDONALD: What are the particular duties of Mr. Foster, and what counties are under his supervision?

Mr. ROCHE: The western counties. He inspects the reserves and reports upon each one.

Mr. MACDONALD: How many counties?

Mr. ROCHE: Halifax, and all west of Halifax.

Mr. MACDONALD: Including Colchester county and Cumberland county?

Mr. ROCHE: I have not the list here, but I could get it for the hon. gentleman if he desires.

Mr. MACDONALD: Are his duties confined to certain counties, or has he general jurisdiction over the province?

Mr. ROCHE: The province is divided between Mr. Boyd and Mr. Foster.

Mr. MACDONALD: Who made representation as to the necessity of this additional superintendent?

Mr. ROCHE: I think the hon. gentleman moved for a return.

Mr. A. K. MACLEAN: There was nothing in it.

Mr. ROCHE: As I said at the opening of my remarks, personally I know nothing about this appointment. It was made in my absence. I presume that some person has been in the city of Ottawa and recommended the appointment of another Indian agent in that province.

Mr. MACDONALD: A very easy way.

Mr. ROCHE: The appointment was considered necessary. Personally I know nothing whatever about it.

Mr. MACDONALD: I am bound to say that if the minister had been here he would never have made the appointment. I submit that the reason he has given for the appointment—that some person went to the Indian Department at Ottawa and said: We should like to have another superintendent down in Nova Scotia, and you had better appoint Mr. Foster—is not a good and sufficient reason why we should appoint another salaried official for the purpose of looking after the Indians who in the past have been perfectly well looked after by one superintendent. I ask the minister to look into this question and save this money, especially in this year of taxation and hard times. This money would buy postage on 54,000 letters. I can quite see why the minister does not feel inclined to justify the appointment of this additional superintendent, and I am sorry he cannot give us any better justification of it than he has. I understand from my hon. friend from Halifax that the return which was brought down gave no information whatever except as to salary.

Mr. ROCHE: There is notning on the file.

Mr. MACDONALD: Who was acting minister when the hon. gentleman was away?

Mr. ROCHE: I was away so long, I regret to say, that two or three ministers acted duing my absence—on one occasion

the Minister of Justice; on another the general utility man, the Minister of Customs; and on another the Minister of Public Works. I cannot say under whose règime the appointment was made.

Mr. A. K. MACLEAN: Has the minister discovered whether there is any work for this new appointee to do?

Mr. ROCHE: Certainly. He forwards his reports to the department.

Mr. MACLEAN: I know that, but has the department discovered whether beyond the sending in of a report, there has been any work for him to do since the date of his appointment?

Mr. ROCHE: He visits and inspects the reserves, and makes his reports.

Mr. WILLIAM CHISHOLM: I do not think the minister should be allowed to disclaim responsibility in that matter. Mr. Boyd had jurisdiction over New Brunswick, Nova Scotia and Prince Edward Island, and I never heard that he was overburdened with work, or that he could not get over the whole country and still have lots of time to spare after doing his duties. The idea of appointing an extra superintendent at a salary of $1,800 and travelling expenses and $500 for an office is absurd in these hard times, when you are putting a tax on everything the poor man has to consume. Imagine this large amount of money being spent for salaries, when only $8,000 is being given for the relief of the Indians! The only qualifications required, I suppose, were that the appointee should have been a good party man; and he was appointed, I suppose, solely because a job had to be found for him. There might be some justification for this sort of thing if the treasury was overflowing and the whole country was revelling in prosperity, but in these times I do not think the minister will find anybody in the maritime provinces, where the Indians are so badly used, to justify this appointment.

Mr. KYTE: When was the salary of the agent at St. Peter's increased to $200?

Mr. ROCHE: About two years ago.

Mr. KYTE: When was he appointed to that office?

Mr. ROCHE: He was paid $100 in the year 1913-14, so it must have been about the 1st of April, 1914, or before, that his salary was raised to $200.

Mr. KYTE: Has the minister found any reason since for increasing the gentleman's salary other than what he has stated?

Mr. ROCHE: There are some agents who are paid less than this agent was receiving, but most of the agents were drawing $100. There had been complaints, I am informed, from the province of Nova Scotia, that salaries generally were too low.

Mr. KYTE: Complaints from the agents?

Mr. ROCHE: Including the agents, certainly; you cannot blame them for that.

Mr. WILLIAM CHISHOLM: Not from the Indians?

Mr. ROCHE: No. The opinion of the officers of the department was that the salaries of most of these agents in Nova Scotia were too low for present day conditions. While there are more Indians in some of these counties than in others for the agents to look after, the more deserving cases were considered, and in these cases it was found necessary to increase salaries.

Mr. KYTE: Why was not an increase made all round?

Mr. ROCHE: Some cases were more deserving than others, and if we had done it all at once the hon. gentleman would have been the first to have criticised us for it. We must do it little by little, and probably next year, if we have more funds, we will look after the others.

Mr. KYTE: The other evening, when we were discussing the salaries of fishery inspectors, we found that salaries were increased all round except in the case of a fishery inspector who had run an election against my hon. friend the Minister of Marine and Fisheries (Mr. Hazen), and that was the reason why his salary had not been increased. Who are the Indian agents in Nova Scotia whose salaries have been increased since this Government came into power?

Mr. ROCHE: That is rather a difficult matter to tell at the present moment. I can provide the hon. gentleman with a statement if he so desires.

Mr. KYTE: This is the time to have the statement. We are here considering the item of salaries of Indian agents in Nova Scotia, and one would have thought that this was the time to have this information.

Mr. ROCHE: We cannot anticipate all the questions that will be asked.

Mr. KYTE: These are questions that should appear obvious to the mind of the minister inasmuch as we are discussing salaries. The superintendent of Indian agencies, Mr. Boyd, lives within ten miles

of the Indian reserve of St. Peter's. I know as a matter of fact that a large portion of the duties that fall to the Indian agents in other parts of Nova Scotia are performed by the superintendent, and I think there is no justification whatever for having an Indian agent at St. Peter's in view of the fact that the superintendent is living so close to the reserve, and that his duties take him very frequently to the reserve for the purpose of looking after the interests of the Indians. Whatever excuse there might be for increasing the salaries of Indian agents in other parts of the province of Nova Scotia, there is no justification for increasing the salary of the agent at St. Peter's, for the reason that a large proportion of the duties that would otherwise fall to him are discharged by the superintendent.

Mr. LAW: Would the minister give the committee a memorandum of the agents in the maritime provinces who receive the magnificent salary of $50 a year?

Mr. ROCHE: There is only one other agent in Nova Scotia who gets $50 a year.

Mr. LAW: Is it the intention of the minister to level up the $50 man to $100? Will the minister say where he is stationed?

Mr. ROCHE: The Indian agent in Shelburne county has $50, and there are only forty Indians there. In Yarmouth there are 54 Indians, and that is the reason why the salary is so low.

Mr. KYTE: In Shelburne there are 40 Indians, and the agent gets $50 a year, while in Hants there are 80 Indians, and there are two agents getting $100 a year.

Mr. MACDONALD: What are the names of the two agents in Hants?

Mr. ROCHE: Mr. Wallace and Mr. Stephens.

Mr. MACDONALD: Where do they live?

Mr. ROCHE: One at Windsor and the other at Shubenacadie.

Mr. MACDONALD: I suppose the minister knows that these are purely political appointments?

Mr. ROCHE: No, I do not know that.

Mr. MACDONALD: Then the minister does not need to inquire very far before he finds out. Throughout eastern Nova Scotia, where there are quite a number of Indians —some 2,000—in a great many cases the Indian agent is the Roman Catholic clergyman who lives in the vicinity of where the Indians are. He has always been the agent because, being spiritual adviser to these children of the forest, he is their natural guardian. That being so, it is an additional reason why there was no necessity of having a new superintendent. I know the agent in my county, who is a very worthy clergyman of the Roman Catholic church, and he has always been in charge of the Indians there. I know he does not need two superintendents over him to see that his treatment of the Indians is proper. It is absolutely and totally unnecessary. The minister says to the committee that personally he is not responsible. Of course, he has to assume the responsibility of what the roving minister may have done or what the Minister of Public Works may have done in his absence. There is a limit to this kind of thing. It becomes an absolute farce when we find the Government, within the last year and a half, hunting up excuses to find new offices. When you take into consideration the fact that in a great many cases the local agents are the clergy of whom I have
9 p.m. just spoken, the absurdity of the appointment of two men to supervise these agents becomes apparent. The minister ought to look into this matter with the view of seeing whether, if there is going to be any attempt at economy anywhere, he can get along with one inspector. The minister should look into this matter and see if this additional superintendent is necessary in view of the fact that there is nothing in the department to justify it and in view of the fact that the chief officer of the department is not quoted as favouring it.

Mr. KYTE: This is clearly a case where the necessities of the poor Indians are being exploited by politicians supporting the present Government in Nova Scotia, just as the necessities of the poor soldiers at the front are being exploited by dishonest contractors. That is all that can be said about it. That is the plain English of the whole story. I know a case in which an Indian on one of the reserves in Nova Scotia has had a contract from the department to look after the fires in the Indian schools. He was getting thirty dollars a year for four or five years. A year ago he said to the superintendent: "In addition to making the fires I am supplying the wood which is burned in the school, and all I am getting is thirty dollars a year." The superintendent said: "You will have to speak to the agent"

and he did speak to the agent. The agent said: "The department has no money, and cannot afford to pay you more than thirty dollars for making the fires and supplying the wood; money is scarce now; the Indians are costing the country a great deal." Then he turned around and said: "Where do you spend the thirty dollars?" "The man mentioned the name of the merchant who supplied him with such necessaries as he was able to buy, and the agent said: "Why, that man is a Grit; do you think I would recommend you to get more money to spend at his store? You will have to be contented with thirty dollars."

Mr. A. K. MACLEAN: I presume there are quite a number of the Indians who are comfortably well off, and would not accept assistance from the department; is there available, information in the department to show how many of the Indians in Nova Scotia are indigent and require assistance?

Mr. ROCHE: We can compile such a statement from the records of the department.

Mr. A. K. MACLEAN: Are these 2,000 the entire number of Indians, or only those who are wards of the department?

Mr. ROCHE: That is the total Indian population of the province.

Mr. MACDONALD: Do I understand the minister to decline to look into the question as to the necessity for this official?

Mr. ROCHE: Not at all; I do not wish to leave that impression. I have no personal knowledge of the appointment of this gentleman, and if the facts are as stated by the hon. member for Pictou to-night, I have learned more than I have known before. I have no information supplied me as to who recommended the appointment or as to why the official was appointed. I naturally took it for granted he was appointed because there was necessity for such an official. I have no objection whatever to tell the hon. gentleman that I will make inquiries into the question of what duties he is discharging, and as to whether his appointment was necessary.

Indians, Nova Scotia; relief, $8,000.

Mr. KYTE: How is this relief distributed?

Mr. ROCHE: Relief was distributed in the counties of Annapolis, Guysborough, Antigonish, Cape Breton and Colchester, and for such articles as clothing, provisions, fertilizers, bags, lumber, seed grain, potatoes, shingles, window-frames, and so on.

[Mr. Kyte.]

Mr. LAW: The application for relief and seed grain has to come through the agent?

Mr. ROCHE: Yes.

Indians, Nova Scotia; medical attendance and medicine, $5,000.

Mr. KYTE: How are the doctors paid for their attendance on the Indians?

Mr. ROCHE: Some are paid by salary and others according to accounts rendered for medical service.

Mr. KYTE: Has there been any increase in this expenditure since the present Government came into power?

Mr. ROCHE: Very little. In 1914-15 it was $5,000 and in 1915-16 it is $5,000.

Mr. KYTE: What was it in 1912-13?

Mr. ROCHE: I have not the particulars for the expenditure of 1912-13, but in 1913-14 the expenditure was $6,000.

Mr. CARROLL: The Indian agent at Sydney is also the medical attendant?

Mr. ROCHE: Yes.

Mr. CARROLL: What salary does he get?

Mr. ROCHE: $350.

Mr. CARROLL: That does not include medicine?

Mr. ROCHE: Yes, it includes medicine.

Mr. LAW: Suppose an Indian calls in a doctor outside of their regular medical attendant, and that doctor sends a bill to the department, will the department pay the bill?

Mr. ROCHE: Only in an unusual case or in an emergency. As a rule, the doctor who is appointed is supposed to be called in by the Indians and he is paid by the department.

Mr. LAW: Cases of emergency might arise where the Indians would suffer greatly if they were not allowed to call in a physician outside of the regular medical attendant. Dr. A. J. Deveau, of Meteghan, Digby county, had an account for $228.07 against the department for services rendered while he was in Halifax county and the department has declined to pay it. The minister being a physician, has, I suppose, faith enough in his profession to know that a medical man does not usually send a bill unless he has rendered services for it. I am satisfied in this case that Dr. Deveau has rendered services to the Indians for the amount of his account. I commend the

matter to the earnest attention of the minister, because I think there might be cases in which the Indians would suffer if the physicians called in by them are not paid for their services. I know Dr. Deveau personally, and I know he would not send in an account unless it was perfectly correct, and under the circumstances it is only fair that the department should pay it.

Mr. ROCHE: I will have the case looked into. I understand that this gentleman was not the regular medical attendant and that he acted without the assent or direction of the agent or the department. If we allowed that policy to prevail as a rule, I am afraid we would be landed in a good deal larger expenditure than at present. I shall look into the case.

Mr. WILLIAM CHISHOLM: Suppose the regular medical man cannot attend to a case and he calls in another physician, would the department pay the substitute or would the regular physician have to pay him?

Mr. ROCHE: The doctor must pay out of his own salary.

Mr. CHISHOLM: In every case?

Mr. ROCHE: Yes.

Mr. CHISHOLM: That seems rather hard.

Mr. MACDONALD: I moved for a copy of the papers in regard to the doctor employed to attend the Indians in my county. The correspondence disclosed that from somewhere unseen and unknown came the suggestion that Dr. J. McKenzie should not be any longer employed as doctor, and that some doctor from elsewhere should be employed, because it was said that Dr. McKenzie lived at Pictou and that Pictou was not the proper place for a doctor to reside at who was to wait upon the Indians. From time immemorial the different doctors who have attended those Indians have lived in the town of Pictou, the Indian settlement in the county being at Pictou landing where the white people as well as the Indians do all their business with the town, and a new settlement having grown up at a place called Sylvester, which is in close proximity to the town. There was therefore no reason for making the change on the ground of the necessity of the Indians being better treated. The Indians did not make any complaint; there does not appear to have been any request from the agent that the change should be made, and I do not think the idea came into the mind of the gentleman in charge of the Department of the Interior, without a suggestion from somewhere, that Dr. McKenzie's services should be dispensed with and another appointment made. By whom was the suggestion made to the minister?

Mr. ROCHE: The suggestion came to me from the officials of my department that Dr. McKenzie, who, I believe, was a resident of Pictou, was not as conveniently situated to the major portion of the Indians as a doctor would be who resided at New Glasgow.

Mr. MACDONALD: The reports did not show that.

Mr. ROCHE: It was stated that most of the Indians are on the New Glasgow side of the waterway, and that a doctor from Pictou would have to cross over—I do not know how far it is—10 miles?

Mr. MACDONALD: No. It is less than a mile by the ferry.

Mr. ROCHE: I understand that the ferry is not in operation during the nighttime, when frequently a doctor's services are required. The ferry would also be out of operation during a portion of the winter season. All that was pointed out to me, and that was the reason why a doctor at New Glasgow was appointed.

Mr. MACDONALD: Who suggested this to the officials of the department?

Mr. ROCHE: I cannot answer that question. I am not personally aware who made such a suggestion; nor do I think the question as to who made the suggestion is at all germane to the subject, as long as the facts warranted the appointment of a doctor at New Glasgow. The hon. member will admit that it is more convenient.

Mr. MACDONALD: Absolutely not at all.

Mr. ROCHE: That was the case submitted to me, and it seemed a pretty good one.

Mr. MACDONALD: I do not know who made out the case. All I can say is that some person who wanted to get Dr. Keith appointed wrote a letter, which has not been brought down in the file, to the officials of the Department of the Interior suggesting that a change should be made. Ever since Confederation the different doctors who have been in charge of these Indians have lived in the town of Pictou. I do not be-

lieve that any one interested in the lands suggested that change. The Indians did not suggest it, and there was no reason in the world why the officials of the department should bother their heads about this question unless somebody wanted Dr. McKenzie put out and Dr. Keith put in his place. The correspondence shows that Mr. Boyd made two reports, and that in the second one, which was full and complete and was made after the department had made the change of doctors, it was shown that the more convenient place for the doctor to be in was the town of Pictou. All the people, both white and Indians, who live at Pictou landing, receive their medical attention at Pictou. I do not believe there is a doctor from New Glasgow who goes to Pictou Landing once a year. When papers are moved for in this House, the minister should bring down the full information. I do not see why he should start off a return with the statement that the gentleman in charge of Interior affairs has suddenly received an inborn inspiration on a question, and why on that inspiration he should proceed to slide a doctor out. Such a procedure is neither reasonable nor proper. Such inspirations do not come without some mundane suggestion.

Mr. GRAHAM: They do not work from the inside.

Mr. MACDONALD: Dr. McKenzie succeeded his father, who succeeded another medical man who died. They all lived in the town of Pictou and they all attended the Indians perfectly satisfactorily. Who was it who put the little idea into the head of the gentleman in charge of Indian Affairs that the Indians were not being properly looked after? Before the department gets the second report from Mr. Boyd the necessity is so great that it dismisses Dr. McKenzie, without any allegation as to his qualifications or his politics. There was a certain gentleman named Dr. Keith who was greedy for the job, and certain friends of his, if they did not write a public letter, wrote a private letter suggesting that Dr. McKenzie should be dismissed. I think the minister should bring down that letter.

Mr. ROCHE: The hon. gentleman intimates that some of the correspondence for which he moved has not been brought down. I am not aware of that. My information is that everything on file has been brought down. My idea is that Superintendent Boyd's report was that this was a desirable change; that it would be more convenient. It is some time since I perused the papers, and I may be wrong in that respect, but that is my recollection. The matter was placed before me just as I have stated. I thought the case was presented strongly enough. My recollection is that the change was recommended by the inspector, and that therefore it was made.

Mr. MACDONALD: The papers do not show any recommendation from the agent or from the inspector. Was not this done when you were away?

Mr. ROCHE: I do not think so.

Mr. MACDONALD: I think this case must have slipped through in your absence.

Indians, Nova Scotia; miscellaneous and unforeseen, $4,300.

Mr. KYTE: There is a very considerable increase in this item over last year.

Mr. ROCHE: It is a transfer from one account to another. It is in exactly the same position as the item of salaries for the Nova Scotia superintendents. This account was formerly charged up to another item. This year we are putting it in its proper place. It is only an apparent increase.

Indians, Nova Scotia; repairs to roads and diking, $600.

Mr. KYTE: Where was this money spent last year?

Mr. ROCHE: Whycocomagh reserve, $300; Chapel Island, $220; Heatherton, $31; total, $551.

Indians, Nova Scotia; rebuilding Indian Council House, Chapel Island, $2,500.

Mr. A. K. MACLEAN: What is this for?

Mr. ROCHE: The mission house where the Indians are in the habit of congregating once a year was burned, and this is for the purpose of rebuilding it, the Indians not having sufficient funds of their own.

Mr. MACLEAN: Was the building which was destroyed built by the Government originally?

Mr. ROCHE: Yes.

Mr. KYTE: I think the hon. gentleman is mistaken.

Mr. ROCHE: It was built many years ago, and if not entirely built by the Government, the Government gave some assistance towards it.

Mr. KYTE: I commend the Government for this vote. I endeavoured, when the late

Government was in power, to get assistance for the Indians in building their new church, but that Government refused to make an appropriation. But while I commend the vote, I rather object to it being put through under false pretences. This is called a vote for an Indian council house. There is no such thing there as a council house and never has been. There is a very beautiful chapel on the island, built by the Indians with contributions obtained from the white people. There was also a residence for the priest who attends upon the Indians for about two weeks when they have their mission. This glebe house, as it is locally called, was destroyed by fire, and this vote, I understand, is to rebuild it. I am glad the vote is here; I think it a very commendable one as the Indians are not in good circumstances and the building of a new glebe house without assistance would involve very considerable sacrifices for them.

Mr. GRAHAM: What is the building to cost?

Mr. ROCHE: It is estimated at $2,500. There is a special room for a council room according to the plan. I think I remember that last session, when the Indian Department estimates were under consideration, some hon. gentlemen strongly urged that this vote should be made or commended one that was proposed.

Mr. CARROLL: The money was not spent.

Mr. ROCHE: No, there was difficulty about the plans and the work has been delayed.

Mr. KYTE: Has an agreement been reached as to the character of the building?

Mr. ROCHE: The building is a story and a half high, and on the ground floor are council room, dining room, kitchen and bedroom.

Mr. KYTE: Has the work been commenced?

Mr. ROCHE: No.

Mr. KYTE: Is it intended to call for tenders?

Mr. ROCHE: That has not been decided upon. As is frequently the case in such buildings, the Indians have promised to do a good deal of work themselves and to supply a certain amount of material. Sometimes, by employing the Indians and paying them for their services and purchasing from them what material they can supply, we find the work can be more economically done.

Mr. KYTE: What advantage is it to employ the Indians if you pay them as you pay anybody else?

Mr. ROCHE: It would be an advantage to the Indians.

Mr. KYTE: But not to the Government. I tell the minister now, in good time, that if he wants to avoid difficulty, he will call for tenders for this building. There is no reason why he should not do so. As he has stated, any assistance received from the Indians will be paid for, and there will be no advantage gained by the department in having the building put up by day's work. But he will be opening the door to very considerable trouble in that way. I think $2,500 is a very reasonable amount for such a structure as intended. It is a residence for the priest during the two weeks he is there giving a mission to the Indians. That is all it will be used for. I am glad it is being constructed, but I want it to be constructed in a manner that will not open the door for charges hereafter. There seems to be a certain laxity in the affairs in the minister's department in that region. In order to avoid that, and so that we may not come back at him next year with complaints as to the way this money was spent, I suggest to him, and earnestly advise him, to call for tenders.

Mr. ROCHE: The department has no objection to calling for tenders. It has not yet been decided.

Mr. KYTE: So frequently they are not called for. I am asking the minister to make a special note of this case.

Mr. W. CHISHOLM: How many council houses are there now in Nova Scotia? How often do the councils meet? And would the minister give us some idea of the manner of opening a council and of the deliberations that take place?

Mr. ROCHE: We have no information on that subject.

Indians, New Brunswick; salaries, $1,984.

Mr. MICHAUD: Is there any authority by which right can be given by the department or by the Indians to run a road across an Indian reserve?

Mr. ROCHE: That is quite often done. The department is prepared to allow road allowances across a reserve. In some cases

we have to secure a surrender from the Indians before the road can be run. The municipality or whoever is promoting the road can appeal to the Government on the subject either direct or through the Indian agent.

Mr. MICHAUD: The proceedings are the same when municipalities or private individuals wish to run a road across a reserve?

Mr. ROCHE: No; private individuals are not allowed the privilege of expropriating.

Mr. MICHAUD: Is it only in a case of expropriation that a road may be run across a reserve?

Mr. ROCHE: No, but a private individual cannot ask to have a road constructed across an Indian reserve and have his wish acceded to.

Mr. MICHAUD: Provided the assent of the Indians was obtained, would the department be willing to permit individuals to run a road across their reserve?

Mr. ROCHE: It would largely depend upon the nature of the case. If the Indians had no objection, and a strong case were made out in favour of it, the department might be inclined to view the request favourably.

Mr. COPP: How many agents are there in New Brunswick?

Mr. ROCHE: Three.

Mr. COPP: The province is divided into three districts, I presume?

Mr. ROCHE: There are three districts, the south western division, the northern division, and Big Cove division, Kent county.

Mr. COPP: How does the Indian population of New Brunswick compare with that of Nova Scotia?

Mr. ROCHE: The Indian population of New Brunswick is 1,920. There is a difference of about 100 between the Indian population of New Brunswick and that of Nova Scotia.

Mr. COPP: There is a striking difference between the salaries paid to agents in the respective provinces. In Nova Scotia the salaries of agents amount to $6,200, while in New Brunswick they amount to only $1,984.

Mr. ROCHE: There are more agents in Nova Scotia.

Mr. COPP: Why?

[Mr. Roche.]

Mr. ROCHE: There are more reserves and the reserves are more widely scattered.

Mr. MICHAUD: Who has been appointed in the place of the late Mr. Irving?

Mr. ROCHE: No appointment has been made.

Mr. COPP: There are two agents in New Brunswick, then, and one vacancy?

Mr. ROCHE: Yes.

Mr. A. K. MACLEAN: Would the minister allow this item to stand until the hon. member for Carleton, N.B., returns?

Mr. ROCHE: I will have some Supplementary Estimates; he may discuss it when they are brought up.

Indians, New Brunswick; relief, $8,000.

Mr. MICHAUD: Who was the inspector in connection with the construction of a school-house at the Edmunston Indian reserve, and how much was he paid for his services?

Mr. ROCHE: The Auditor General's report does not give the name, but it states that he was paid $5 a week for fifteen weeks.

Mr. MICHAUD: Was he inspector for the whole of the construction?

Mr. ROCHE: Yes.

Mr. MICHAUD: The man who was appointed inspector knows absolutely nothing about cement work or about the construction of a building?

Mr. ROCHE: Was he not worth $5 a week?

Mr. MICHAUD: No, not even that, because he does not know anything about the construction of a building. If the building is properly constructed, it is on account of the honesty of the contractor, not the efficiency of the inspector, because he did not know anything about his work.

Mr. COPP: Is the distribution of this relief left entirely to the agent?

Mr. ROCHE: The Indian himself makes application to the agent. The agent investigates the case and issues his order on the merchant for the relief.

Indians, New Brunswick; miscellaneous and unforeseen, $850.

Mr. MICHAUD: I believe that during the last two or three years a certain person has not only bought lumber from the Tobique reserve, but has obtained also the title to three or four lots on the reserve.

Mr. ROCHE: This is the case in respect of which the hon. member for Carleton moved for a return a couple of weeks ago. The information has been brought down.

Mr. COPP: Are the Indian agents supposed to look after the Indians all over the province, or only those in the special reserves over which they have authority?

Mr. ROCHE: The Indian agent has jurisdiction over all Indians, whether located on the reserve or otherwise.

Mr. COPP: On many occasions it has come to my attention that there are isolated camps or families of Indians located here and there who are sometimes in destitution. I think the agents should look after these people.

Indians, New Brunswick; repairs to roads, $450.

Mr. MICHAUD: I do not understand why so much money is voted for roads for reserves in the province of Ontario and so little for those in New Brunswick. Is this amount voted on the basis of population or of mileage?

Mr. ROCHE: It is voted by reason of the necessity for the expenditure.

Mr. MICHAUD: I think the amount for New Brunswick is rather small. The roads through the Indian reserves down there are very bad. I know that last year the department spent a little money on them, but we should like more money spent this year.

Mr. ROCHE: There have been very few applications.

Indians, New Brunswick; to provide for encouragement of agriculture, $1,000.

Mr. ROCHE: This is to provide seed grain and implements for Indians who may be in need of them. It has been found that the Indians require from time to time to have their implements implemented. This is not a very large amount.

Mr. COPP: I wonder whether this amount is sufficient for the purpose. Has the Government ever taken into consideration the question of educating the Indians along agricultural lines so that they might learn to maintain themselves? In my county there are many Indians who are getting no assistance at all, but who are able to maintain themselves on little farms and, to a certain extent, educate their families. Instead of voting a small amount like this each year, should not something on broader lines be done, which would be of lasting benefit to the Indians throughout the country.

Mr. MICHAUD: It has given me great pleasure to see the Indian agent at Tobique giving a great deal of his time to educating the Indians in the science of agriculture. He has taught them how to sow and reap, how to keep their barns, how to whitewash their houses, and so on. Altogether this gentleman has done a great deal for the department, and I have received letters of congratulation in regard to him. Unfortunately he lost his job because he sided with the Liberals on reciprocity, and since then the Indians have gone back a great deal in agriculture. I think with my hon. friend from Westmorland that not sufficient money has been spent on the Indians in the last few years. I believe that if they were approached in a proper manner they could be taught to maintain themselves on the products of the reserves.

Indians, Prince Edward Island; salaries, $600.

Mr. J. J. HUGHES: How many agents have we in Prince Edward Island?

Mr. ROCHE: This item is to pay the salary of the Indian Superintendent, the Rev. J. A. Macdonald, and of the Assistant Superintendent, Mr. J. O. Arsenault, whose salaries are respectively $400 and $200.

Indians, Prince Edward Island; medical attendance and medicines, $850.

Mr. J. J. HUGHES: How many doctors have we in Prince Edward Island?

Mr. ROCHE: Two, Dr. J. A. Stewart and Dr. E. G. Gillis.

Indians, Manitoba, Saskatchewan, Alberta and Northwest Territories; implements, tools, etc., $11,893.

Mr. W. M. MARTIN: Could the minister give us a statement respecting the existing condition of affairs in regard to the surrender of the St. Peter's Indian reserve? The minister will remember that discussions on this subject have taken place in the House on several occasions.

Mr. ROCHE: All the information that I can give is that after this question came up last session I handed the case over to my colleague the Minister of Justice. I understand that he has instituted proceedings, but how far they have gone I am not sure. I understand that some negotiations have been going on between the purchasers of this land and the Department of Justice with a view to settling the matter outside

of court, but matters have gone so far now that witnesses have been subpoenaed, and it looks as if everything was ready for the case to be prosecuted . The case is at such a stage now that there need be little delay.

Mr. W. M. MARTIN: Can the minister tell us what were the grounds for the commencement of court proceedings?

Mr. ROCHE: A commission of certain judges was appointed in Manitoba to inquire into the validity of the surrender of this reserve, and the majority of that commission reported that the surrender was illegal. That, in essence, is the basis of the court proceedings.

Mr. W. M. MARTIN: Was the Commission appointed by the Dominion Government.

Mr. ROCHE: No, by the Provincial Government. In view of that commission's report that the surrender was illegal, and in view of the case that was made out in this House a few years ago by the hon. member for Selkirk (Mr. Bradbury) and other members, the Minister of Justice considered that we should not allow the case to stand at its present stage.

Mr. W. M. MARTIN: I have not seen very much about these court proceedings, but I presume the action would be brought in the Exchequer Court and would be for the cancellation of the patents if they had been issued by the Indian Department—and I think in a number of cases they had been issued—to men who had bought the land, not from the Indians, but from the speculators in the Indian lands. How many actions have been brought by the Justice Department? Do I understand that an action has been brought against a large number of the speculators?

Mr. ROCHE: Not being a lawyer, I am not very conversant with the legal aspect of the case, but I understand the court proceedings were to set aside the surrender. If the court decided that the surrender was illegal, that would make null and void all subsequent purchases under the surrender.

Mr. W. M. MARTIN: When did the Manitoba Commission report to the Manitoba Government?

Mr. ROCHE: I do not know the exact date, but it may have been a year and a half ago.

[Mr. Roche.]

Mr. MARTIN: So far as the present Dominion Government is concerned, then, I am correct in saying that apart from the action, whatever it may be, taken by the Justice Department, nothing has been done in the period of three and a half years since this Government came into office in regard to the surrender of the St. Peter's Indian reserve, a proceeding which was alleged by some members of this House some five or six years ago to have been outrageous. I think that is the correct assumption, is it not?

Mr. ROCHE: I do not know that it is quite correct; but if, during this time, we have not made a great deal of progress, it may be because the other party to the suit has wished to arrive at some settlement in order to prevent the case going into court. I think delay has been occasioned because of that fact.

Mr. MARTIN: Who is the other party to the suit?

Mr. ROCHE: There are many parties to the suit.

Mr. MARTIN: The position, Mr. Chairman, appears to be this, as far as the Dominion Government is concerned, nothing has been done in regard to the surrender of the St. Peter's Indian reserve, and nothing would have been done by this Government, judging from the conduct of the Government, had it not been that some action was taken by the Government of Manitoba. Just what this action was I am not in a position to say. I can only say, from rumours I have heard and from statements I have seen in the newspapers, that I understand that after this Government came into power the hon. member for Selkirk (Mr. Bradbury) and other members who were interested in the matter, having lost hope of getting the present Government to do anything in regard to the surrender of this reserve, resorted to the Government of Manitoba, and that Government directed their registrar, in the proper registration district, to issue no titles on the patents that had been issued by the Department of the Interior, or upon any assignments of those patents. That is a subject for reasonable and fair criticism. We in the House of Commons, and in the committee of the House, had listened to the discussion of this subject, not by the hour, but by the day. I remember very well hearing speeches made by the hon. member for Selkirk in the session of 1909-10, and for two or three years afterwards, on this subject, which, in so far as length is concerned, excelled anything

that was ever heard in Parliament. All kinds of charges were made by the hon. member for Selkirk and other hon. members sitting on the Opposition benches at that time. If I remember correctly, the House was divided on a motion of want of confidence in the late Government in regard to the surrender of the St. Peter's Indian reserve. The former Deputy Superintendent General of Indian Affairs, Mr. Frank Pedley, was charged with all sorts of maladministration in regard to the obtaining of that surrender. All these statements were contradicted by an affidavit made by Mr. Frank Pedley, and I predict that any legal proceedings in connection with the matter will result in leaving it exactly where it is. Delay on the part of this Government, and intervention on the part of the Government of Manitoba, at the instigation of the hon. member for Selkirk and perhaps others, have resulted in preventing the settlement of the land adjoining the town of Selkirk for a number of years, and, if I am correctly informed, there is very grave dissatisfaction existing in and around Selkirk in regard to the action of this Government and of the Provincial Government with respect to the holding up of the patents or the titles for these particular pieces of land, thereby preventing the land in and around Selkirk from being occupied by farmers and properly cultivated. During two or three years, almost every week, certainly at very short intervals, the matter of the surrender of the St. Peter's reserve was discussed, and discussed at length, on the floor of this House. For the last three or four years the hon. member for Selkirk, and the other hon. gentlemen who formerly discussed that question, have remained silent. Nothing has been said. I submit to the
10 p.m. Minister of the Interior that, considering the situation with respect to this land in and around Selkirk, action should be taken by the Government in order to hurry the settlement of this very vexed question, and action should be taken without delay.

Mr. BRADBURY: My hon. friend (Mr. W. M. Martin) is not apparently very well informed. He stated that a commission had been appointed by the Manitoba Government after this Government had come into power.

Mr. MARTIN: The minister said that.

Mr. BRADBURY. You will remember that it was appointed before this Government came into power and it was appointed to deal with the question of title.

Mr. MARTIN: I was taking the word of the minister.

Mr. BRADBURY: That was simply done because the registrar general refused to accepted the patents and to issue titles on them. Then it was up to the Manitoba Government, in defence of its guarantee fund, to demonstrate whether that title was a good title or not, and the only way the Government could decide it was by appointing a commission. The Government appointed a commission of its own volition simply to protect the province. My hon. friend, who is a lawyer, knows that the Torrens title carries with it the guarantee of title. When the outrageous manner in which this surrender had been made and the manner in which the Indians had been fleeced out of their holdings was pointed out to this House, the registrar of the province took warning and refused to issue title on these patents. The consequence was that the Manitoba Government, in its own defence, appointed a commission of three of the most eminent judges in Manitoba. This commission sat and took evidence. There was a majority report and a minority report. The majority report declared that the surrender was illegal and that there was nothing to justify the issue of titles on this surrender. The consequence was that when my hon. friends were in power we asked the Government to remedy the evil that had taken place.

Mr. W. M. MARTIN: My hon. friend does not mean to say that the commission reported before the late Government went out of office. The commission only reported eighteen months ago, according to the statement of the Minister of the Interior.

Mr. BRADBURY: I think they reported before the Government went out of power, In 1911 the surrender took place and I pointed out in the House in 1908 and 1909 the character of the surrender and called the attention of the Government to it. It was in 1912 that the commission was appointed, I think.

Mr. W. M. MARTIN: The commission of judges.

Mr. BRADBURY: The commission of judges. However, I admit frankly that there has been an unnecessary delay in bringing matters to a settlement. The late Government were seriously to blame. The change

took place under the late Government and they ought to have rectified it. This question was handed down to this Government to deal with.

Mr. W. M. MARTIN: What has this Government done to deal with it?

Mr. BRADBURY: I will tell you what this Government has done. This Government has instituted a case in the Exchequer Court of the Dominion for the purpose of setting aside the surrender. I think there are 400 or 500 Indians involved, together with others who are purchasers, numbering 500 to 600 all told. The Exchequer Court has issued an order naming a certain number of gentlemen to accept service for certain groups, and the case is now ready for trial.

Mr. W. M. MARTIN: I understood from the minister that subpœnas had been issued for witnesses, but, according to the statement of the hon. gentleman, the position of the case is that some men have been appointed to accept service for certain groups. .I presume that means to accept service of the original process in the Exchequer Court, and, therefore, the case has only commenced.

Mr. BRADBURY: Every one of these men has been served.

Mr. MARTIN: Then what is the use of having the groups?

Mr. BRADBURY: The men have been appointed to accept service and they have been served. The reason the case has not been proceeded with is that there have been some negotiations going on. The gentlemen who secured this land have been negotiating to have some settlement without going to court, and I confess frankly that in my own estimation I have done something I ought not to have done in the interests of justice to the Indians; I have asked the Government to accept a settlement from these men so that the case may not be dragged out in the courts for years. I believe to-day as firmly as I did when I made my statement on the floor of this House, that there was perpetrated on the St. Peter's Indians one of the greatest outrages that ever has been perpetrated on any body of men in Canada. There is no question about that. I have not made one statement on the floor of this House that I want to retract. My hon. friend refers to the charges I have made against the former Deputy Superintendent General of Indian Affairs. My statement stands to-day just as strongly as it stood the night I made it on the floor of this House, and it is absolutely true. The charge was that he took with him into the meeting at which the surrender was to take place, $5,000, and he said to these Indians: If you vote for this surrender I will divide this $5,000 among you, and if you do not I will take it home and you will not get a cent. That is my statement, and that statement is absolutely true.

Mr. W. M. MARTIN: Is it not a fact that whatever was paid to the Indians on the day of the surrender was paid on account of the purchase price of the Indians' interest in the land?

Mr. BRADBURY: This is what the Deputy Superintendent General of Indian Affairs has said since.

Mr. MARTIN: Was not that a fact?

Mr. BRADBURY: I believe it was a fact. But, Mr. Chairman, the Indians did not understand it that way, and it was not explained to the Indians that way. The Indians understood he was giving that money for voting for the surrender. However, there is no use going into that discussion now. As I understand it, the Department of Justice has the case in hand, and at the very next sitting of the Exchequer Court we may expect it shall go to trial. The surrender is being attacked, and I understand that if the surrender is successfully attacked that that practically ends the case. But, Mr. Chairman, I enter my protest here that, that ought not to end this case. The men who are responsible for the outrage perpetrated on the St. Peter's Indians should be criminally prosecuted. There is no question in my mind about that. However, I will not press that part of it. As far as the town of Selkirk is concerned, the agitation that has been raised in that town through the press of the country has been paid for by the men who have been trying to get away with these Indian lands. There is no question about that. The quicker the case can go to trial the quicker it will satisfy me.

Mr. W. M. MARTIN: What settlement has been recommended to the Department of Justice?

Mr. BRADBURY: I do not think there should be any secret about this thing and I do not intend to make a secret of it. There have been a good many offers made by these people. I have been approached my-

self more than once, but I was not approachable, and as it stands to-day I understand that the Government has agreed that if these people make a fair settlement, that the money to be paid into the Indian Department is to be distributed among the Indians pro rata. Just what the amount is going to be, I am not in a position to say. Whatever the amount, it is to be arranged with the Indians and to be paid into the Indian Department to be put to the credit of the minister, I suppose, and distributed among the Indians. I understand there has been a very reasonable offer made to these men.

Indians, Manitoba, Saskatchewan, Alberta and west Territories; general expenses, $263,924.

Mr. GRAHAM: How is that distributed?

Mr. ROCHE: The price of flour and bacon, which constitute a large portion of the supplies given to the Indians, has increased. The estimate has been made as low as was thought proper.

Mr. DOUGLAS: Does that mean that the Indians are all entitled to rations in Manitoba, Saskatchewan and Alberta?

Mr. ROCHE: No, this vote is entirely intended to meet the requirements of destitute Indians.

Indians, Manitoba, Saskatchewan, Alberta and Northwest Territories, surveys, $11,000.

Mr. GRAHAM: I suppose every member of Parliament has some young man who is anxious to do surveying; how do you work that out on these Indian surveys?

Mr. ROCHE: There are a staff surveyor and two outside surveyors, and they get local assistants and employ some of the Indians.

Sioux Indians, $6,418.

Mr. McCRANEY: Will the minister explain this item? The Sioux Indians are not an indigenous tribe to this country. They had no land to surrender. I understand that there are some Sioux reserves. They cannot be in receipt of any treaty money, and I would like to know how this item comes in.

Mr. ROCHE: The Sioux Indians are not treaty Indians; but when they came into this country the Government treated them in the same way as we treat other Indians. There are agencies at Birtle, Portage la Prairie, Griswold, Assiniboine, Qu'Appelle, Carleton and Moose Mountain. These are the Sioux agencies where we give relief.

Mr. McCRANEY: Are the Sioux Indians paid money at the same time that the other Indians receive their money?

Mr. ROCHE: They do not get any treaty money.

Indians, Manitoba, Saskatchewan and Northwest Territories; supplies for destitute, $143,465. $143,465.

Mr. BUCHANAN: What portion of the Blood Indian reserve is open for lease to individual farmers in the district adjacent to that reserve? A year or so ago a lease held by private concerns expired. In answer to a question that I asked, the minister stated that the lease had not been renewed, and that leases were being made to individuals at certain rates per year for stock. The idea amongst the farmers of the district is very strongly in favour of their being given an opportunity to graze their cattle and other stock on this reserve, if an arrangement can be made with the Indians. At first the Indians were favourable to it, but afterwards they expressed opposition to the idea. It has been stated that an official of the department, who was inclined to be friendly to the company who wanted a renewal of the lease, encouraged the Indians to oppose the idea of individuals in the district having an opportunity to secure leases on the reserve for grazing purposes, and favour the private company. I believe it would be beneficial to the mixed farming movement in Southern Alberta if some arrangement could be made to lease this land to individual farmers on a permanent basis. Temporary leases have been granted, but a permanent policy should be adopted of leasing the reserve for grazing purposes to farmers in the immediate vicinity who at the present time do not possess sufficient land for grazing purposes and who can utilize the reserve in that way. The minister has had the matter before him in the past, and I would like to know if there is any possibility of a permanent policy in this direction being adopted and carried out.

Mr. ROCHE: When I was out West about a year and a half ago, a deputation of gentlemen waited upon me from the neighbourhood of that reserve and made representations such as my hon. friend has made here to-night, namely, to allow a number of settlers adjacent to the reserve to have free access to it and not to tie it up in any one lease. The deputation which appeared before me and advocated that policy, repre-

sented in the main, Mormons. Subsequent to that visit, I asked the chief inspector of Indian agencies to visit the reserve and to find out the will of the Indians. As far as my information goes, I do not think he attempted to stampede the Indians into any particular line of policy; but he called a meeting of the Indians and put the whole question before them, and they expressed strong disinclination to allow the adjacent farmers access to their reserve. There was a lease in the name of a man named McEwan from Brandon, and Gordon and Ironsides had made an arrangement with him for the stocking of the reserve. That lease terminated about a year ago, and it has not been renewed. We are charging them $3 per head and are getting by that more than the Indians have been in the habit of getting under their own lease. We have not finally decided as to our permanent policy. There are many things to commend this policy suggested by my hon. friend, although it has been claimed by a great many who have made representations to the department, including the Indians, that there would be a good many practical difficulties in working out such a policy by reason of the mixture of the stock. Herdsmen would be required to keep the stock separate, and a good deal of trouble would arise between the different owners. The question has been surrounded by a good deal of difficulty and trouble; and inasmuch as the Indians are getting quite a revenue under the existing temporary arrangement, we have not seen fit to disturb it. We are quite open, however, to take into consideration the suggestion of the hon. member. We have consulted the Indian inspectors; and they have consulted the Indians, and I understand that the great preponderance of the Indians present at the meeting were against that policy. I do not know whether that was their view at the outset or not, but I am sure the chief inspector would not be guilty of attempting to stampede the Indians into an opinion that they had not held in the first place.

Mr. WARNOCK: How many head of stock are Gordon and Ironsides allowed to carry on the reserve ?

Mr. ROCHE: They can go to the limit of about 7,000.

Mr. WARNOCK: How many are Maunsell Brothers allowed to carry on the Peigan reserve ?

Mr. ROCHE: About 1,000.

[Mr. Roche.]

Mr. WARNOCK: Has the lease been renewed to Maunsell Brothers ?

Mr. ROCHE: Yes, a five-year lease.

Mr. DOUGLAS: What is the amount of salaries included in this large miscellaneous item ?

Mr. ROCHE: $147,250.

Mr. DOUGLAS: That is in the three provinces ?

Mr. ROCHE: Yes.

Mr. DOUGLAS: Is that an increase, or is it about the same as last year ?

Mr. ROCHE: There are no increases in this item at all.

Indians, B.C.; to provide for the expenses of the British Columbia Land Commission, including a payment of $1,400 for the service of Dr. J. A. J. McKenna, as one of the commissioners, $41,400.

Mr. W. M. MARTIN: What has been the total cost of that Land Commission?

Mr. ROCHE: About $108,000 to date.

Mr. MARTIN: They are still conducting that investigation?

Mr. ROCHE: Yes. British Columbia pays half the expense.

Mr. MARTIN: Has any report been presented by the commission?

Mr. ROCHE: Yes, they have made three progress reports.

Mr. MARTIN: With any findings?

Mr. ROCHE: None except interim reports with reference to rights of way.

Mr. MARTIN: Who constitute the commission?

Mr. ROCHE: Mr. M. W. White, of Shelburne, N.S., is chairman and the other members are Mr. S. Carmichael, Montreal, and Dr. McKenna, and two appointed by the Government of British Columbia—Mr. J. P. Shaw and Mr. E. A. Macdowall.

Indian education, $984,115.

Mr. KYTE: Does this include Nova Scotia?

Mr. ROCHE: Yes.

Mr. KYTE: Are these schools inspected by the public school inspectors?

Mr. ROCHE: I understand that Indian schools in all the provinces are inspected by the public and separate school inspectors.

Mr. KYTE: Can the minister speak definitely as to Chapel Island Reserve in Nova Scotia?

Mr. ROCHE: Not specially, but I understand the rule applies there also.

Mr. KYTE: I understand that two years ago the school inspector of the district objected to performing the duty of inspection of this school on the ground that while he had influence over other teachers the teachers in this school were not employed according to the provisions of the public school law, and that competent teachers were dismissed and partisans appointed in their places. Unless the department changed its policy in this respect he would not undertake the inspection. Has the minister had any communication with that gentleman recently?

Mr. ROCHE: There have been no communications to that effect during recent times.

Mr. KYTE: As a matter of fact, for the reasons I have given the inspector of schools in that district has not been inspecting the Indian schools in the Chapel Island Reserve. What report has the minister received as to the work of the school on that reserve?

Mr. ROCHE: If there is any report as to that particular school I will lay it on the table. I do not know the nature of any report on the subject that may be in the department.

Mr. KYTE: Has the minister the information before him that would enable him to state to the committee the salaries of the different school teachers in the Indian schools in Nova Scotia?

Mr. ROCHE: They are as follows:

Afton, Antigonish	$ 400
Bear River, Digby	400
Eskasoni, Cape Breton	450
Halfway River, Cumberland (white school attended by Indian children	50
Indian Cove, Pictou	360
Malagawatch, Inverness	300
Middle River, Victoria	500
Millbrook, Colchester	400
New Germany, Lunenburg	400
Salmon River, Richmond	350
Shubenacadie, Hants	400
Sydney, Cape Breton	400
Tufts Cove, Halifax	300
Whycocomagh, Inverness	500
Total salaries, day schools	$5,210

Mr. KYTE: Does the department insist on properly certificated and licensed teachers being employed in these schools?

Mr. ROCHE: It is the aim of the department to employ such teachers, but in some counties it has been difficult to find a qualified and certificated teacher, and in such places we have to put up with the best we can get. There are in some schools, I understand, teachers not qualified under the provincial law, but it is the rule to have certificated teachers where possible.

Mr. KYTE: Does the minister remember any case in Nova Scotia where a properly licensed teacher was dismissed and an unlicensed and unqualified teacher engaged to fill her place?

Mr. ROCHE: I remember that there was something of that kind referred to a year or two ago. I do not recall the particular case, but I do remember the hon. gentleman (Mr. Kyte) discussing it.

Mr. KYTE: I may say, to remind the minister, that if they have unlicensed teachers in some schools it is the fault of his department, if not his own fault. The case to which I have referred is a case where a properly qualified and thoroughly efficient teacher was dismissed.

Mr. ROCHE: There were reports in the department against her.

Mr. KYTE: There were reports very much in her favour. The Superintendent of Indian Agents reported that she was one of the most competent girls in the district; and the inspector of schools reported to the same effect, and one reason why he refused to inspect the school was because a competent licensed teacher was dismissed and an unlicensed teacher employed in her place.

Mr. MURPHY: I think the hon. minister was going to give the hon member for South Renfrew some information regarding the progress that has been made in the matter of Indian education.

Mr. ROCHE: The boarding schools are maintained by the Government on the basis of a per capita grant. The maximum per capita grant is given to those schools in which capital expenditure has been made by the churches, where the buildings are thoroughly modern and well equipped. The minimum per capita grant is given to those schools in respect of which the department has furnished capital expenditure, or where the churches furnish capital, but have not erected buildings which could be classed as modern and well equipped. The boarding schools are divided into three divisions:

eastern, western and northern. The eastern division is given $80 and $100 per capita, the western division, $100 and $125 and the northern division $125. These divisions are subdivided into three classes. Class A represents institutions where modern and well-equipped buildings are owned by the church authorities; class B represents institutions where first-class buildings are owned by the Government, and class C represents buildings which might be termed second-class, and which are owned by church authorities The number of schools is as follows:

	Day.	Boarding.	Industrial	Total.
Ontario	82	7	4	93
Quebec	29	..	..	29
Nova Scotia	15	..	..	15
New Brunswick	12	..	..	12
Prince Edward Island.	1	..	..	1
British Columbia	45	10	8	63
Manitoba	43	7	2	52
Saskatchewan	19	13	2	34
Alberta	4	18	2	24
Northwest Territories.	1	3	..	4
Yukon	5	1	..	6
Totals	256	59	18	333

Payments of Indians surrendering their lands under provisions of section 89 of the Indian Act, which will afterwards be repaid from the avails of the lands, $25,000.

Mr. MACDONALD: How much was paid out under this vote? What amounts were advanced to the Indians, and in what cases?

Mr. ROCHE: A total of $44,895, to the Sarcee, Stony reserve, Fort Francis and Cote Indians.

Relief to destitute Indians in remote districts, $60,000.

Mr. A. K. MACLEAN: What is that intended for?

Mr. ROCHE: This vote is intended to meet accounts which were incurred in the Northwest Territories, Northern British Columbia, and in the Ungava district of Quebec. No estimate for these districts is included under the provincial headings. As the destitution is often severe, and the cost of provisions high, it is necessary to vote this amount to meet the expenditure in this connection. Frequently the Indians in Northern Ontario and in part of Northern Quebec suffer extreme hardships owing to the failure of the fur trade in these districts.

Mr. DOUGLAS: There is a large increase this year.

[Mr. Roche.]

Mr. ROCHE: Because of the effects of the war upon the fur trade, the Hudson Bay Company and their traders have anounced that they are compelled to limit to a considerable extent their purchases of furs from the Indians, who will consequently be deprived of their means of obtaining supplies. The department will be called upon to aid them in order to relieve their suffering.

Mr. DOUGLAS: I believe the destitution among the Indians in the far North is very severe; I presume the minister has had communications along that line.

Mr. ROCHE: Our information is that they are coming through the winter very well—much better than had been anticipated.

Mr. MACDONALD: What was paid out of this vote last year?

Mr. ROCHE: $41,000.

Indians, general: to prevent spread of tuberculosis, $10,000.

Mr. A. K. MACLEAN: Is that amount the usual vote?

Mr. ROCHE: Yes.

Mr. MACLEAN: How is it usually expended?

Mr. ROCHE: Sometimes it is more than expended. In 1913-14 $9,000 was expended, and for the five months ending September 30, 1914, nearly $3,000.

Mr. MACLEAN: What means does the department take to see that this amount is properly expended?

Mr. ROCHE: The vote is intended to provide hospital treatment for those who can avail themselves of it. In many cases the residences occupied by tubercular patients have to be destroyed and a grant made towards their re-construction. We expended last year upon those in hospitals, $1,800.

Mr. MACLEAN: How was the remainder of the vote expended?

Mr. ROCHE: Special supplies, extra medical attendance, etc.

Mr. MACLEAN: Has the department any knowledge as to what proportion of the Indian population is affected by tuberculosis? Is it a large proportion?

Mr. ROCHE: It is rather difficult to get at the exact proportion. It is a very prevalent disease among the Indians, and I should say that probably more than 50 per cent of them are infected.

Mr. MACDONALD: In what parts of the Dominion?

Mr. ROCHE: In all parts.

Mr. MACDONALD: Could any of our Indians in the maritime provinces be sent in a proper case to the provincial sanitarium at the expense of the department?

Mr. ROCHE: They can be sent there, certainly.

Mr. MACDONALD: Have any been sent there from the eastern provinces?

Mr. ROCHE: I think not.

Mr. MACDONALD: Where has the main expense been?

Mr. ROCHE: In the West, and quite an expenditure in Ontario.

Indians, general: printing, stationery, etc., $5,000.

Mr. A. K. MACLEAN: How is that divided up?

Mr. ROCHE: Prince Edward Island, 57 cents; Nova Scotia, $16.43; New Brunswick, $23.23; Quebec, $78.58; Ontario, $955.83; Manitoba, $442.19; Saskatchewan, $688.52; Alberta, $348.35; British Columbia, $363.46.

Mr. MACLEAN: That is a small total?

Mr. ROCHE: It is nearly $3,000. Then there is postage, express, freight, school supplies, binding, printing, lithographing, which amounts to nearly $2,000.

Indians, general: grant to assist Indian Trust Fund Account 310, suppression of liquor, $3,000.

Mr. W. M. MARTIN: What does this mean?

Mr. ROCHE: This amount is intended to assist the account of the Indian trust fund, which receives credit of the moiety of all fines imposed and bears the expenditure of the preventitive, detective and police services in furthering the policy of the department in carrying out the law to prevent the illegal sale of liquor to the Indians.

Mr. MACDONALD: Is that refunded to the department?

Mr. ROCHE: Yes, I have an abstract here of the revenue for 1913-14:

Revenue for year 1913-14.

Balance from 1912-13	$ 6,562 38	
Fines and costs collected	10,904 22	
Government grant	9,000 00	
" interest	196 87	
		$26,663 47

Expenditure for year 1913-14.

Salaries for constables and detectives	$6,706 71	
Services and expenses of regular constables	2,098 50	
Services and expenses of irregular constables	2,844 78	
Legal services	1,259 27	
Supplies for lock-ups, handcuffs, etc.	101 12	
Moieties paid to informers	21 00	
Fines and costs refunded	137 97	
Miscellaneous	507 11	
		13,976 46
Unexpended		$12,687 01

Mr. MACDONALD: What is to the credit of that fund now?

Mr. ROCHE: Last year there was unexpended $12,687.01.

Mr. MACDONALD: If there is that much to the credit of the fund now, why should it be necessary to vote an additional amount? Why not cut this amount out this year?

Mr. ROCHE: We have reduced the amount.

Mr. MACDONALD: I know, but unless the minister expects a large expenditure this year this vote is not necessary.

Mr. ROCHE: It is difficult to tell what the revenue will be.

Mr. MACDONALD: The revenue will depend on the successful prosecutions.

Mr. ROCHE: Last year we spent $13,000.

Mr. MACDONALD: But then you had a large revenue.

Mr. ROCHE: Yes, we had $26,000, but we cannot estimate to a nicety what the revenue will be this year.

Indians, general: to provide for expenses in connection with epidemic of smallpox and other diseases, $10,000.

Mr. A. K. MACLEAN: On what basis do you estimate the expenditure for the coming year to be $10,000? Is that based on the experience of the department?

Mr. ROCHE: Yes, we spent over $13,000 last year.

Mr. MACLEAN: The expenditure is accounted for by doctor's accounts?

Mr. ROCHE: It is under a number of different headings. Quarantine, for instance, is one item, and to enforce a strict quarantine on the Indians is a somewhat difficult matter, and very expensive.

Mr. MACLEAN: Do these medical attendants receive a yearly stipend?

Mr. ROCHE: They are the regular medical attendants, and have often to call in the provincial health authorities.

Mr. MACLEAN: What expenses under that item were made in Nova Scotia last year?

Mr. ROCHE: None at all; there was no smallpox there.

Mr. MACLEAN: It need not necessarily be smallpox.

Mr. ROCHE: Oh, no; scarlet fever or any disease of an epidemic or contagious character; but you were remarkably healthy down there last year.

Mr. DOUGLAS: Amongst what Indians is this money spent?

Mr. ROCHE: Among the Caughnawaga, the Chippewas and the Lorette Indians. Then, we had to spend a large amount last year in connection with the smallpox on Manitoulin island.

Indians, surveys: Ontario, Quebec and Maritime provinces, $3,000.

Mr. MACDONALD: What is the explanation of that?

Mr. ROCHE: This item is intended to provide for the subdivision of the Pays Plat Indian reserve in Ontario, the re-survey of the disputed limits of the Big Hole tract in New Brunswick, and of the Whycocomagh reserve in Nova Scotia. The vote also provides for any unforeseen and necessary surveys in re-marking the boundaries of Indian reserves in the older provinces.

Mr. MACDONALD: How long have these surveys been going on?

Mr. ROCHE: For some years.

Mr. MACDONALD: In this particular case or in other cases?

Mr. ROCHE: No, these are new and will be completed this year.

Mr. MACDONALD: Who disputes these boundaries?

Mr. ROCHE: The resident settlers on the borders of the various reserves.

Mr. MACDONALD: Are you having any litigation about them?

Mr. ROCHE: I do not know that we have had any litigation, but it frequently happens that lines are overgrown and obliterated and it is necessary to remark them. Those on the adjacent territory are the persons who make the requests.

Mr. MACDONALD: Do you not think that might stand for a year?

Mr. ROCHE: It is not a very large item.

Mr. MACDONALD: Every little makes a muckle, and there are a lot of little ones.

Progress reported.

On motion of Sir Robert Borden, the House adjourned at 11 p.m.

Tuesday, March 23, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

PRIVATE BILLS.

FIRST READINGS.

Bill No. 82, respecting the Patent of the National Wood Distilling Company.—Mr. Green.

Bill No. 83, for the relief of Lottie Thorndike.—Mr. Boyce.

Bill No. 84, for the relief of Arthur Ernest Birdsell.—Mr. Michael Clark.

RELIEF FOR WESTERN FARMERS.

On motion of Hon. W. J. Roche (Minister of the Interior), the House went into Committee, Mr. Sevigny in the chair, to consider the following proposed resolution:

Resolved, that it is expedient to provide that the Governor in Council shall have power to provide for the purchase, sale and distribution, during the year 1915, among such farmers and settlers in the provinces of Alberta and Saskatchewan as apply for the same, of seed grain, fodder for animals, and other goods, by way of relief, in such quantities and upon such terms as to the taking of security for the repayment of the cost of seed grain, fodder and other goods by way of relief so supplied, as shall appear necessary or proper, and that the agreement dated the eighteenth day of February, 1915, between the Minister of the Interior, on behalf of the Dominion of Canada, and the Hon. George A. Bell the Provincial Treasurer on behalf of the Government of Saskatchewan and the agreement dated the thirteenth day of February 1915, between the Minister of the Interior on behalf of the Dominion of Canada, and the Hon. Arthur L. Sifton, on behalf of the Government of Alberta, relating to the means by which such seed grain, fodder for animals, and other goods by way of relief may be furnished, and that any action heretofore taken by the Governor in Council or by any department of the Government of Canada during the years 1914 and 1915 to provide the said farmers and settlers with seed grain, fodder for animals or other goods by way of relief, be approved, ratified and confirmed.

Mr. W. M. MARTIN: Will the minister please state the main terms of the agreement referred to as having been entered into between this Government and the provincial governments of Saskatchewan and Alberta?

Mr. ROCHE: The terms are the same in each case. The agreement provides that liens to be taken against the land for the advance of seed grain shall be given priority over existing liens, the provincial governments to introduce legislation to that effect. That has already been done by the legislature of Alberta, and we have the agreement of the Saskatchewan government that a similar Act will be passed in that legislature. We are to be given a prior lien also for the relief of other than seed grain. That is the agreement in essence. Of course, in the Bill to be introduced based on this resolution there is a schedule containing the agreement.

Mr. MARTIN: I understood that there was some difference in the agreements entered into with the two provinces, that the province of Alberta had gone a little farther with respect to agreeing to pass legislation giving this Government a first lien upon lands for the supply of seed grains. My idea of it was that in Alberta they had agreed to pass legislation giving a first lien not only for seed but for certain classes of feed.

Mr. ROCHE: That was included in both agreements.

Mr. MARTIN: Then, are we to understand that before it would agree to advance any seed grain outside the restricted area spoken of, and even inside that restricted area, the Dominion Government insisted on the provinces passing legislation giving this Government a first charge upon land to the extent of the value of the seed grain advanced?

Mr. ROCHE: I do not know that this is the term to apply—that this Government "insisted." Of course, the Dominion Government wished to have sufficient security, because we are dealing with a vast amount of the funds of the people of Canada. As the hon. gentleman knows, in 1908 the late Dominion Government would not go even this far. The arrangement made on that occasion was that they would only advance seed grain to holders of unpatented land, inasmuch as this Parliament had not jurisdiction over the patented lands. The provincial Governments borrowed the money from the Dominion at five per cent and themselves took the first lien against the land. We are taking the same security that they took in 1908, and we are dealing with both patented and unpatented lands, because both provincial governments consider that the extent of the crop failure last year was beyond their coping with. We therefore ask the provincial governments to place us in a similar position to that which they occupied as to security in 1908.

Mr. PUGSLEY: Do I understand that it is a condition of the agreement to advance money to buy seed grain that the charge of the Dominion Government shall be a first lien upon the patented lands, ahead of the mortgages?

Mr. ROCHE: Yes, the same as the provincial governments had.

Mr. PUGSLEY: And without the consent of the mortgagees?

Mr. ROCHE: Yes.

Mr. PUGSLEY: I do not think that was done in 1908. The Government then was only dealing with unpatented lands.

Mr. ROCHE: The provincial governments dealt with patented lands.

Mr. PUGSLEY: With all deference, I think this is an entirely improper thing to do. It does seem to me that if a man or a company has lent money upon patented lands and taken security upon those lands, it is a most extraordinary step to pass legislation which will wipe away that first lien and place another lien ahead of it. It may be said that it is for the advantage of the property and the improvement of the security which the mortgagee holds upon the land, but it seems to me contrary to every precedent of justice for the Legislature to intervene and put a lien ahead of an existing mortgage. Now, it does seem to me that where the conditions in the West are such as to require this Government to step in and grant relief, the Government might very well expect that on unpatented lands the loans should be made a first charge upon the property; because until the land is patented the homesteader cannot properly execute any encumbrance upon the property. That would be all right in respect of unpatented lands, but it seems to me that the Government ought simply to take a lien upon the interest that the owner of the property has in patented lands, unless the mortgagee or other person holding the encumbrance became a party to the agreement. Another objection arises out of that: it will tend to dis-

courage the lending of money to farmers in the West if the money-lender realizes that in case there is a bad harvest, a failure of crops, the legislature, by agreement with this Government, will step in and interfere with the first mortgage or lien that the mortgagee may have upon the property. He would be very doubtful as to the value of his security, and very reluctant to lend money in a country where the legislature, with the consent and approval of this Government, will so interfere with rights which have already been acquired, with mortgages already registered, and which give first liens upon the property. While disposed to favour to every possible extent the granting of the aid which is proposed, believing as I do that it is a step in the right direction entirely justified from every standpoint, I myself think it most unwise legislation to interfere with such rights without the consent of those in whom they are vested.

Sir ROBERT BORDEN: The hon. member for St. John apparently does not fully realize the conditions under which this proposal is put forward, nor is he familiar with the practice which has prevailed in such matters in the past. As I understand, his remarks are addressed altogether to the question of the patented lands. The provision of seed grain for occupants of such lands has hitherto been dealt with by the provincial governments, and, presumably, those governments, being acquainted with local conditions, the requirements of the people and everything that makes for the best interests of all concerned, would be in at least as good a position to estimate the desirability of a measure of this kind as my hon. friend or any other hon. gentleman in this House. They are pursuing precisely the same course and adopting the same methods that they did under similar circumstances in the past. The Government would be very glad if the companies already holding first liens upon the lands would advance these amounts themselves; and, if any one of them desired to do so and to add the amount so advanced to its security and relieve the Government to that extent, I am sure there would be no possible objection to that course being pursued; but we have not observed any desire on the part of the companies to take that course, and the measure which is being proposed by the Minister of the Interior is one which it seems to me is in the interest not only of those who own the lands, but also of those who hold liens upon them. If these lands are left without provision for seed every one will realize that the natural result will be a serious and unnecessary loss, not only to the owners of the lands, but also to the companies or other persons who hold liens upon them. This is a measure designed to make the land productive where otherwise it would not be productive. It is very likely that the crops for the coming year will be so ample as to justify most amply the aid which the Government proposes to give. My hon. friend proposes that the Government should make its security subsequent to that which already exists upon the land. I see no reason why that course should be taken, because this is eminently not only in the interest of the land owner, but of the lien holder as well. My hon. friend desires that we should take into account the interest of the lien holder; he should also remember that we are bound to take into consideration the interest of the land owner, the settler, and it is in the interest of the settler that this money, provided for a specific purpose, in order to make the land productive, should be a first lien upon the land itself; as, if this money were not advanced, the land, for this year at all events, would probably be useless, and a foreclosure of the mortgage would be forced, which would result in a loss to the owner of all his interest in the land. No one desires to interfere more than is absolutely necessary with vested rights, but my hon. friend knows that under certain conditions of the law, the law relating to shipping, for example, the man who makes the last advance for the purpose of saving property and preserving it to the owner has the first lien, and this is very much on the same principle. We think that the Government ought to have the first lien because the money that the Government advances not only preserves the property for the land owner himself, but makes the lien of the mortgage holder secure as it otherwise would not be secure. Under the circumstances, it is easy to see that it is not only reasonable but absolutely desirable that the money advanced for this purpose should be the first lien on the land, because it is not only to preserve his interest in the land to the land owner, but to maintain the security of the lien holder and to make that land productive for the present year when otherwise it would not be productive.

Mr. PUGSLEY: It seems to me that the illustration given by my right hon. friend of the case of the party who salves a vessel or cargo having a first lien is not applicable.

Sir ROBERT BORDEN: I was not referring to salvage.

Mr. PUGSLEY: My right hon. friend was referring to instances where the law which is invoked has been the law of the land for years, and therefore persons who may lend money upon vessels or upon cargoes lend it with the knowledge of the existing law and all rights that may intervene. That would be like this case if there were a law upon the statute book, not made retroactive in its character, but existing, which provided that in case at any time the Government should lend aid to settlers that would be a first lien upon the property. If that were the law, then any person taking a mortgage or security of any kind upon the property would take it with a knowledge that that was the law, and that his rights might be cut down to that extent in the future. However, that is an entirely different case. People who have lent money to settlers—and we know that there are vast sums loaned by companies in Eastern Canada more especially—have done it under the existing law, knowing that when they did it they would receive by means of their conveyance a first mortgage upon the patented lands of the mortgagor. Now it is proposed to change the law. It is practically proposed to lend money to the settler, and for that loan to take a lien ahead of the mortgage which the money lender has taken in good faith; and this mortgage of the money lender may represent the security of widows and orphans in the East, who are very largely interested in trust and mortgage companies. But the Government's lien is to come ahead of all existing encumbrances. When my hon. friend the Minister of Finance spoke early in the session of what he proposed to do for the farmers of the West, I thought this Government was going to do something for which they would deserve the credit of the people of this country, and more especially of the people in the West. But to-day I find that they are exacting the pound of flesh. They are going to charge the settler five per cent upon the money they advance for the purpose of securing seed grain, and they are going to say to him and everybody interested in his land: In addition to that, we are going to take a first mortgage upon your property irrespective of what other claims there may be against it. Now that is not doing very much for the settler. It does not recognize to a very great extent the extraordinary condition of affairs which exist in the West, and which calls for this relief. My right hon. friend says that this is a benefit to the western country. I grant that, but is it not also a benefit to the whole of Canada that as large a crop as possible should be raised during the coming year in our western country? Is not that in the interests of the whole people of this country, and especially at this time when the Mother Country looks to Canada to supply bread stuffs for the Empire during this war? And yet the Government is approaching this question just as a money lender or almost a Shylock would, and is demanding the last dollar of security, and the very highest security which can possibly be given by the settlers in our western country. They are taking a step which is going to destroy credit, and which is going to prevent eastern loan and trust companies from investing in the West. This Government may say that they are helpless because of the action of the Governments of Alberta and Saskatchewan; but that action was taken because this Government insisted on it as a condition of granting this relief. I say this is going to unsettle conditions in the West so far as credit is concerned, and it is something which this Government ought not to insist upon. My right hon. friend says I am not familiar with the method of dealing with these things in the past. I grant that, but I know that when this party was in power previously to 1896, the Government of that day, when there was distress in the West and need for seed grain, did not insist on taking a first lien upon the property. I know that the Government advanced seed grain to the settlers, took as security a bond, with one or two sureties which were satisfactory to them. That is the course that was pursued along in the eighties to my own personal knowledge; at that time no such extraordinary demand was made as this Government is now making.

Mr. MEIGHEN: Were those loans to farmers on patented lands?

Mr. PUGSLEY: I do not know, but I presume not, because in the early days of settlement there was very little land that was patented. But I should think that, if a Government was prepared to lend seed grain to homesteaders on unpatented land, they would be more willing to lend to the owners of patented land because the security would be so much better. That was the course adopted along in the eighties, but I submit that the doctrine of this Government of trampling upon vested rights, of

setting aside first securities, and doing that without so much as asking the mortgagee for his consent, and of taking away the first lien which he has upon the property, I submit that that is entirely unjustifiable. I do not think this Government can shelter itself behind the fact that the governments of Alberta and Saskatchewan are willing to pass this legislation. If they are willing to pass it, I am sure they are doing it simply because of the condition of affairs in the West, and because they have found that this Government would not grant relief unless such legislation were passed.

Mr. MEIGHEN: The only two classes concerned in the subject of this discussion are the mortgagees and the Government representing the people of Canada. It would be impossible for any hon. member to pretend that, in asking the Government to take less security, he represents in any way the desire or interest of the farming community. The farmers of the West would be no better off if they gave a second or a third or a fourth encumbrance on their land instead of a first. To them it makes no difference whatever. Their interest is to get the seed grain, and to protect themselves and their creditors. There are two classes: The Government of Canada, and the mortgagees, the moneyed interest; and the House will note with very considerable interest that when the interests of these two classes apparently clash the hon. member for St. John (Mr. Pugsley) is the champion of the moneyed interests. It is not long since he was on the other side of the fence, when he found very serious fault with this Government for being so closely allied to the interests of big finance. Aside from that, I am not one who would argue that we should by reason of any contingency whatever do an injustice to mortgagees, any more than to any other class; but I take the ground that this is doing them justice in every sense of the word, and that it is of great benefit to the farmers, and at the same time no more than justice to the Government representing all the people of this country. We insist on a first lien on the land. We are charged with sheltering ourselves behind the actions of the governments of Saskatchewan and Alberta, in that they agreed to giving us a first lien, and we are designated Shylocks because we ask for it. The hon. member for St. John forgets that in 1908, when we loaned these governments money, they themselves passed legislation operating over their own respective provinces and taking to themselves this first lien ahead of all other mortgages; so that if we are in the Shylock class we have at least a precedent in the governments of Alberta and Saskatchewan in 1908. More than that; in 1908 the government of Saskatchewan made loans to the farmers on the security of a first lien. They also took security on the crop. They stated that their loan was to be ahead not only of all mortgages but of all taxes, ahead of any charge that any one could place against the land. But the government of Alberta—and I do not know whether my hon. friend is aware of this—went farther than that. They made their loan a first charge against the land in every respect as to present and future encumbrances, and also took to themselves the power of collecting this money by taxation, and of enforcing the collection of this money over and above any other debt that the farmer might have charged against his land or otherwise. That is how they collected the money. Year by year taxation was the enforced method of payment, and operated by that government against the farmers of the province; and I do not know that any fault was found with that, even by mortgagees. But what I am trying to impress on the hon. member for St. John is this: we do not in any way seek shelter behind the action of the governments of Saskatchewan or Alberta, or behind the action of any government or any party. We have, though, the precedent of the action of these governments when there was no compulsion whatever—whether there be compulsion now or not—when they acted of their own free will, and in their wisdom were governed by the conditions of their own provinces and by no other conditions.

It is argued that because we take a first lien on the land we interfere with outside rights—the rights of mortgagees. My right hon. friend the Prime Minister pointed out very clearly that the principle is analogous in every way to the principle which gives priority to the one who comes in as the last insurer of a cargo and thus takes the last and greatest risk. The hon. member for St. John argued that inasmuch as we have not had legislation on the statute book enabling us to get this first lien the mortgagees did not contemplate such an Act and consequently that we should not pass it. I may be wrong in my common law, as I have not read the point for some time, but I have a recollection that it was the common law before there was any statute that the

party who came in as the last insurer got the first lien.

Mr. PUGSLEY: On what class of property?

Mr. MEIGHEN: On property insured on the sea.

Mr. PUGSLEY: We are not dealing with property on the sea.

Mr. MEIGHEN: It was recognized by the courts, aside from the statute, as a matter of common justice and it is the same to-day. How can the mortgagee complain?

Mr. PUGSLEY: If my hon. friend says that it is the common law or that the Government has a first lien to secure the advance of seed grain I am with him.

Mr. MEIGHEN: I am arguing that the courts of justice decided that it was a matter of common justice to give the last insurer priority and, if it was common justice then, common justice is eternal. It does not vary with the years.

The mortgagee has a right to obviate this lien if he wishes. He has the right to come in and do what we are doing. We will only be too glad to let him do it. What is his complaint? Would it be better for him that we should let the land, the farmer and the country go? No, he is better off by what we are doing. I admit that it would be better still for him if we took a second, third or fourth mortgage and came in on top of a great many encumbrances but it would be an injustice to the whole people of Canada, because the whole people of Canada have no right to be called upon to lend money on such security as that.

I want to draw attention to another feature of the Bill. The Bill takes other security, which also was taken by the provincial governments in 1908; that is security on the crop. I do not know that this is thoroughly understood, but I can very briefly state the position. We get security as to the land, for all we advance, but we get priority only as to seed grain and fodder for animals. We get no priority as to other relief. As to other relief we simply come on top; that is a matter as to which we get no priority at all. As to advances for seed grain and fodder for animals we get priority entirely.

But on the crops we have priority, a first lien as to all advances. The Government would, therefore, be in a position if the circumstances warranted it, to relieve the mortgagees at as early a date as possible, by realizing, wherever possible. I believe it will be the desire of the farmers to be released from these obligations, wherever possible, and thus restore the conditions which by necessity are somewhat dislocated by the legislation.

Mr. PROULX: Did the governments of Saskatchewan and Alberta ask this Government to loan them money, and offer to deal directly with the farmers?

Mr. ROCHE: They voluntarily offered the legislation, but they did not apply to borrow money in the way they did in 1908. As a matter of fact, they refused to do as they did in 1908. They did not wish to have anything to do with the collection, but they volunteered the legislation that is now being enacted.

Mr. WARNOCK: I am in favour of this legislation. I believe it will be welcomed by the mortgagees. Many of the mortgagors have not even paid their interest, and if these farmers are not assisted this year the mortgagees would have to take a great deal of land that they do not want. I do not quite understand the hon. the Solicitor General (Mr. Meighen) in what he says with respect to liens on fodder and other supplies. Does the Government say that it will have a first lien for money advanced for provisions?

Mr. MEIGHEN: No, not on the land. We get a first lien for money advanced for seed grain and fodder for animals on the land; but we get no first lien on the land for relief.

Mr. WARNOCK: Do you get a first lien on the crop ?

Mr. MEIGHEN: As to the crop, we get a first lien for everything.

Mr. WARNOCK: The only objection I see is that it will interfere with any advantage the settlers might otherwise get from the amendment to the Bank Act, which was introduced by the hon. the Minister of Finance a few days ago.

Mr. MEIGHEN: No.

Mr. WARNOCK: The settler who has received fodder for his animals and provisions and who has been too late in applying for seed grain, cannot then apply to the bank because the bank will not advance him money for seed grain unless a first lien is given to the bank on the crop. There are a great many settlers who did not apply in time. I am getting letters every day from settlers who did not file their application

and who have been refused on the ground that they were too late in applying.

Mr. MEIGHEN: The point of the hon. gentleman is that in many cases in the drouth-stricken districts, where a farmer has been compelled to ask for relief and that relief has been given, the Government lien is a first charge, and consequently, if he applies to the bank, he cannot get an advance because the bank cannot get a first lien. That may be correct, but I do not think that when a settler is in the position that he has been compelled to get relief from the Government, he will not be able to get a loan from the bank anyway, even for seed grain. It may be that the effect that the hon. gentleman described would actually take place, but it is a very remote contingency that it may take place, because such a man could not get relief from the bank. He would get relief here.

Mr. WARNOCK: Some settlers did not get their lands ready for seed, and their applications were rejected on that ground. Others did not apply in time. Under the amendment to the Bank Act, these men cannot get an advance from the bank, owing to the fact that the Government's lien has priority.

Mr. W. T. WHITE: I desire to say a few words in reference to the observations made by the hon. member for St. John (Mr. Pugsley). The object of this legislation is to secure advances made for the purpose of furnishing seed grain to the farmers of the West. It has been pointed out by the right hon. the Prime Minister and by my hon. friend the Solicitor General (Mr. Meighen) that the effect of the action of the Government will be to preserve the security of the mortgagees. It is in the interest of the mortgagees that these advances should be made by the Dominion Government. My hon. friend must know, in the course of his legal experience, that it is the common practice of the courts to give a charge in priority to a first mortgage for salvage money advanced to preserve property upon which the first mortgage has been taken. In the course of my experience I have known that to be done a number of times. Let us take the case of a receivership, we will say, of a mining company, and let us assume that there are first mortgage bonds outstanding secured according to the laws of a province by a first mortgage charge. The mines have to be pumped out and preserved, and the same principle applies to railways and undertakings of all kinds. My hon. friend must know in the course of his legal experience, that when such an application, setting out all the facts, is made to a court, some one has to advance the money for the purpose of preserving the property in which not only the receiver representing the creditors and the company but the bondholders themselves are vitally interested; and the court, acting within its equitable jurisdiction, at once makes an order giving a charge in priority to the charge created in favour of the first mortgage or other bondholders.

Mr. PUGSLEY: Has the hon. gentleman ever known that to be done except in proceedings which are instituted by the bondholders themselves?

Mr. WHITE: I have known it to be done at the instance of the receiver representing all parties, and I have never known bondholders to object where the object of the charge was to preserve the property, unless they themselves were prepared to come forward and put up the money. There is no departure from legal precedent in what we are proposing to do.

What is the situation? We were confronted with something in the nature of a national calamity in the West; a great district was visited by drouth. There was no crop for miles and for hundreds of miles. In these circumstances there was great destitution and at a time of the greatest financial stringency in this country the Government was asked to provide funds, in the first place, to relieve those who were in distress and in some cases were starving, and in the second place, to provide seed grain for them, in order that they might put in next year's crop. The Government provided, and gladly provided, and it was a great pleasure to us to so provide, a sum of money, amounting to between eight and nine million dollars for that purpose. The question arises as to how we are going to secure that money of the people of Canada, advanced under extraordinary circumstances, because it would not be advanced under ordinary circumstances. If my hon. friend will look at the correspondence in 1908 between the Minister of the Interior and provincial governments of Saskatchewan and Alberta, he will find that it was laid down by the Minister of the Interior, in the Administration of which he was a member, that once lands are patented any relief to be given must be given by the provincial governments. In 1908 the then Dominion Government made a loan—because the province could not obtain the

money readily on account of financial stringency—to the provinces, which in turn made loans to owners of patented lands, and took from them precisely the same security as we are taking to-day, and no untoward consequence resulted. I was in the mortgage business at the time, and I think I am reasonably well acquainted with loan conditions in the Northwest, and I never heard a single complaint from the mortgagees with regard to the action of the Governments of Saskatchewan and Alberta. On the contrary, I have had managers of loan companies say to me that the Government should make these advances to provide for seed grain. It is true that within the last three or four weeks I have had communications passed on to me from mortgage companies, protesting against the Government taking a lien in priority of their mortgages. I pointed out to them precisely what I have pointed out to this House: that the situation was exceptional and abnormal, that a vast district in the West had been visited by unprecedented drouth, and that if we did not come to the relief of those settlers, not only would they suffer, but the security upon which their first mortgages was held would be greatly depreciated. I pointed out, further, that the result that might be apprehended would be this: that if the farmers failed to secure seed grain which would enable them to raise a crop next year, not only would their security be depreciated, not only would the farmers' crop of next year be not available to pay their interest, but it might well happen that a whole district would be depopulated, because of an exodus, and if that should occur the value of the security held by the mortgagees would disappear.

In these circumstances, I have no hesitation in saying, and I have been a financial man for many years, that it is distinctly in the interests of the mortgagees themselves, just as it was to their interest in 1908, that the Government should make these advances, and that it is no hardship on the mortgagees that the advances so made from the money of the people of Canada should be secured by a lien—the lien bought for a comparatively small amount—in priority to the security of those mortgagees whose interests will be protected by the action of the Government.

My hon. friend (Mr. Pugsley) says we are acting like Shylocks. I desire to say this to him: that from all over the West we have had requests, and repeated requests, that the Government should advance this money, and we have met these requests as fairly as we could. I may say further to my hon. friend, that I have, in the many letters, to say nothing of personal interviews, impressed upon the bankers of this country the desirability of extending credit, in so far as they can safely do so without departing from the principles of sound banking, to the farmers of the West at this critical period in their history and in the history of Canada, in order that this year they may be able to secure seed grain and raise a crop which is so essential to them, and to Canada, and for that matter to the Empire. Everything that the Government could be reasonably expected to do has been done, and I am surprised at my hon. friend from St. John (Mr. Pugsley) rising in his seat in the interests of the mortgagees whose securities are advantaged, and putting forward views which, if the Government had held, would have prevented them from doing what they have decided to do and which they believe will be of great advantage to the farmers of the West.

There has been absolutely no protest from any of the farmers of the West against our action. On the contrary, there have been requests from all parts of the West for the Government to do precisely what it has done, and in addition to that my hon. friend knows that in 1908 the provincial government took precisely the security which this Government is taking to-day. In fact, as the Solicitor General (Mr. Meighen) says, they went farther in the taking of security than we have gone, and no untoward results have come from it. It gave advantage to the farmer, advantage to the mortgagee, and so far as I know no loss to any one concerned has resulted. Under these circumstances I say that the remarks of the hon. gentleman (Mr. Pugsley) were ill-advised, and that his criticism lacks foundation. I do not believe there is a manager of a loan company doing business in the West who, if it came to a question whether the Government would not make advances at all, or would make advances and take security, would not say that he is in favour of making advances and taking security.

Mr. PUGSLEY: That is what I complain of; you will not lend the money on fair terms.

Mr. WHITE: Fair terms? We are lending salvage money to protect not only the farmers but the interests of the mortgagees as I have shown, and shown conclusively, in accordance with the practice of the

courts, and what we ask is the security which has been deemed essential and which has been taken by the provincial governments who are on the spot, and who, as the Prime Minister has said, know the local situations and are best fitted to judge as to what legislation will prove beneficial for the interests of all concerned. They have done that, and no question raised by my hon. friend in the House; but when we do it, my hon. friend protests. Of course, he would protest. I have often thought that, if there were no ten commandments and if a member of this Government brought them down as they left the hand of Moses and as they appear in Holy Writ, my hon. friend or some other hon. gentleman opposite would protest that they were class legislation of the most objectionable character.

Mr. PUGSLEY: I had no idea that I was going to stir up such a hornet's nest. My hon. friend says—in effect—that my criticism is ill-advised and senseless; that it does not strike any one as amounting to anything. It is strange that it has taken my right hon. friend the Prime Minister, my distinguished friend the Solicitor General (Mr. Meighen), and my very able and eloquent friend the Minister of Finance (Mr. White), to attempt to answer the criticism which I have made. The reason is that they know that this condition upon which they insist is wholly indefensible. They know that they cannot justify the taking away of vested rights in this way. My right hon. friend, however, says: Oh, the land companies will consent, because, if it is put to them as a question of either insisting upon this condition or not getting the seed grain at all, they will say that it is in the interest of the West and therefore in their interest. That is what I complain of, namely, that this Government ought not to have put the people of the provinces of the West or the mortgagees or the loan companies in the position in which it has placed them. I am entirely in favour of the legislation authorizing the advancing of seed grain. I agree with my hon. friend the member for Lethbridge (Mr. Buchanan) that it is the right thing to do; but what I am opposed to is the insisting upon those conditions and the violation of every principle of justice and fair-play with regard to those who have encumbrances upon western property.

Mr. R. B. BENNETT: What would you suggest?

Mr. PUGSLEY: I would suggest that under the present condition of affairs the Government ought to be willing to lend seed grain to the people of the West, taking a bond with one or two sureties in the case of persons whose security the Government does not think is satisfactory, and also taking a lien upon the grain which is raised from the seed so advanced to the farmers. That would be a reasonable proposition and something that the Government could justify. What I complain of is that the Government says: Although this is a national calamity, and we feel that it is in the interest of the whole people of Canada that good crops should be raised during the present year; yet we are not going to advance a bushel of seed grain unless it is treated as a loan, unless we get 5 per cent interest, unless we have a first lien upon the property, putting us ahead of all other encumbrances, and also unless we get a lien upon the grain to be produced from the seed. No private individual could insist upon harsher terms than those upon which the Government is insisting, so far as the settlers of the West are concerned. Such harsh terms cannot be squared with any expression of a desire to aid the people of the West in the crisis in which they now find themselves.

12 noon. The hon. Minister of Finance says that he has known frequently of cases where property is in liquidation, and where receivers are appointed and receivers' certificates issued which come ahead of the interest of mortgagees. That is quite true in the case of proceedings which are taken by the mortgagees themselves. Where the mortgagees are the parties to the receivership, the receiver is practically their officer, although appointed by the court. In that case the court will issue receivers' certificates which will come ahead of the mortgages; but my right hon. friend has never known of a case where a second or a third mortgagee, who has instituted proceedings, can have receivers' certificates issued at his suit which will come ahead of the prior mortgages.

Mr. R. B. BENNETT: When the Wabash railway went into the hands of receivers, that was done at the instance of the creditors and subsequently at the instance of the bondholders. The receivers' certificates are prior to all claims against that road. The same is true of the Père Marquette railway. I can give my hon. friend the reference in the Wabash proceedings.

Mr. PUGSLEY: In what state?

Mr. BENNETT: Missouri. There were several applications for a receivership, one

by the creditors and subsequently one by the bondholders.

Mr. PUGSLEY: My hon. friend, who is very familiar with court proceedings, has been obliged to go to the State of Missouri to get a precedent. Other gentlemen have gone to Missouri in the past, and they have secured information perhaps equally valuable.

Mr. BENNETT: I will give my hon. friend an instance in Canada. I once had to do with the liquidation of a very large company, and it became necessary for us to get funds with which to carry on the work. We got authority from the court for the Bank of Montreal to advance money. That money was considered as a prior claim against the assets of the company.

I have in mind another claim. My hon. friend reminds me that when I was a youth practising law, I learned a great deal from him. In the case of the Crown vs. Sievewright, I appeared at the instance of my hon. friend and on his behalf for the Crown. I was very pleased and proud to do so. The case went to the Supreme Court subsequently, and it was held that the Crown had a prior claim over the assets of Sievewright from the time he signed the bond until the receivership became effective. In the case of the Maritime Bank vs. the Queen, which arose in New Brunswick, and which went to the Privy Council, it was held that the money deposited by the province had a prior claim over the creditors of the bank.

Having come from New Brunswick, I understand that we have the same characteristic there as have the citizens of Missouri; we have to be shown. In that instance the people of New Brunswick were shown just as the people of Missouri have to be shown.

Mr. PUGSLEY: My hon. friend stopped short in the lessons which he learned from me. If he had remained longer, perhaps he would have known that the reason why the Crown obtained precedence in the cases to which he referred is that by common law the Crown has a prior right against the assets of the subject.

Mr. BENNETT: Exactly.

Mr. PUGSLEY: But that prior right must have reference to the debtor's property at the time when the Crown's claim first arose. You could not give a claim to the Crown to-day and take precedence over a mortgage which was executed yesterday.

Mr. BENNETT: Except it be for salary.

Mr. PUGSLEY: That, of course, raises another question. In that case it does not make any difference whether it is the Crown or not. I am quite familiar with all the cases to which my hon. friend has referred, and I am quite familiar with the fact that liquidators under the Winding-up Act can obtain money which would be a first claim; but my hon. friend knows just as well as I do that under that Act the interests of mortgagees are brought before the court and are dealt with by the court just the same as are all the rights of the other creditors. That is an entirely different principle from the issuing of receiver's certificates which will come ahead of a mortgage. I have never known of a case, in Canada at all events, where in proceedings to which the first mortgagee is not a party, a receiver's certificate can be issued which will take precedence over the first mortgage. I do not believe that any such case can be found.

I am very sorry to detain the committee by reason of any remarks I make. I did not expect to provoke such a spirited defence of this legislation as that which has been entered upon by hon. gentlemen upon the Government benches. I regret to be compelled to say that I have not been at all convinced by the argument that the hon. gentlemen have made. They refer to 1908. Conditions were entirely different then. The country was comparatively new and there were comparatively few patented lands. There were fewer mortgages and not so many loan companies engaged and not so much money was invested. The Solicitor General says that I am taking the side of the moneyed interests. If it gives him any pleasure to say that, he is quite at liberty to say it. I should have thought from the intelligence of the Solicitor General that he would have realized that I am taking the side of simple justice. A loan company or mortgagee is just as much entitled to justice as any other portion of the community. While I believe that this seed grain should be advanced, and while this side of the House will cheerfully support the Government in advancing it, what I object to is that this Parliament should ask the legislatures of Alberta and Saskatchewan to violate every principle of justice and interfere with vested rights by placing those who are now first or second mortgagees so that their lien shall come only second or third, and this

without asking the consent of the people whose rights it is intended to take away.

Mr. R. B. BENNETT: I had not intended to speak on this subject, but inasmuch as I live within one of the provinces affected so injuriously by reason of the drouth to which the Minister of Finance referred, I rise to make one or two observations. I have found that, as a matter of fact, most of the loan companies are particularly desirous that this legislation should pass. In the law office in which I carry on business when I am at home, we have had to do in the last few years with the loaning of very large sums of money, and much of it has been loaned in the very district affected by the drouth. Foreclosure proceedings have been threatened and, unfortunately, in some instances, foreclosure actions have actually been brought. When these actions were brought it was represented to the large loan companies, the trust companies, that it was probable that the Government would come forward and loan money for the purpose of securing seed to the settlers. When that became apparent, the companies at once dropped their foreclosure actions, realizing that this action on the part of the Government would enable the lands to be planted and would add value which would enable them to get back their money. It was then pointed out that the Government would not make these advances unless they were given a prior claim. But, as the hon. member for St. John City (Mr. Pugsley) has said, the Crown has a prior claim under the common law. All that is done, then, under this legislation, is to assert in statutory form the common-law right of the Crown. We have regard to the fact that the money is advanced for one purpose only, namely, to save the farmer, and the principle that he who saves should have a first claim against that which he has saved. This is an ordinary case of salvage.

Mr. BURNHAM: Did the mortgagees object?

Mr. BENNETT: I was going on further—and I am giving concrete cases. When it was pointed out that the result would be that the Crown would have a prior claim over their mortgages by reason of the legislation to be passed by the provinces, most of these companies were content. Why? Because the added value of their security made it advisable that this should be done. Suppose that they had gone on to foreclose—I have in mind several cases—the property would not have been bought; there is nobody to buy it; and they would have to take title. What would that mean? It would mean a piece of idle land. But when, last fall, it became evident that the Government would furnish the seed grain, the people banded themselves together and by co-operative effort in many instances they prepared a larger acreage for seed than has ever been prepared in Southern Alberta, looking to the seed grain to enable them to plant. And the loan companies that have a first mortgage were content to have it so, rather than have on their hands pieces of land taken by foreclosure. They said: Our security is more valuable by reason of the seed being planted this spring, even though the lien for that seed is made a first claim against the land.

Mr. PUGSLEY: The loan companies being willing, why not get them to sign consent?

Mr. BENNETT: I am just coming to that. I went West eighteen years ago. The seed grain bonds to which the hon. gentleman referred had not run out, and I well remember the difficulties connected with them. The man to whom the seed was advanced signed a bond, and two or three of his neighbours signed with him as guarantors. It was quite natural that in a country so sparsely populated as it then was, each man was both principal and guarantor. Some of the principals left the country. In the Land Titles Office many seed grain bonds were registered and many a man had to pay not only for his own seed grain but as endorser for the seed grain given to others. That is the reason why the province, in 1908, would have nothing more to do with this bond business.

The whole theory on which the legislation of the provinces proceeds is to make it as simple as possible, and to do by statute and inexpensively that which would require large expense to do in individual cases. This legislation is the legislation of the provinces, not of the Dominion. We have the Torrens system of land titles in Alberta. When a mortgage is given against a title it is entered upon the certificate of title in the Lands Title Office as a first charge. That stands. This seed grain lien is to be made, not by Act of Parliament but by Act of the provincial legislature which is composed of men in touch with local conditions. This Dominion did not insist on any specific lien, but pointed out what would be most simple, most direct,

best calculated to meet the difficulty at the least expense. We have a statutory declaration by the province of Alberta that the seed grain lien shall rank first against the crop produced from the grain and for the purposes of repaying the loan. Could anything be fairer?

I am afraid the hon. member for St. John city has what may be called a political sympathy with the settler rather than a business sympathy with the investor. For I know his ideas of business too well not to know that, with his great capacity for business, he would challenge this Government and criticise it severely if it did not take steps to provide that the money of the people of Canada—it is the money of all the people—should be secured by a claim against the crop which is produced by this investment even though the property upon which it is produced is already mortgaged. The principles to which he has referred make this clearer. We have had comparatively little experience of receiverships of railways in Canada. But everybody who has studied the matter knows that receivers' certificates, in the United States, in England and in every other country, take priority over the claims of other creditors, whether they be first mortgagees, second mortgagees or any other. And they will continue to do so. I trust my hon. friend will not endeavour to make any political capital out of what he calls "the harsh and unjust measures" the Government has taken. Consider the situation to the south of the line. The State of Montana has been stricken as the province of Alberta has been stricken; but no relief was given to the settlers of Montana by the Federal Government of the United States.

They have cried aloud and in vain for the same measure of relief that we have given the distressed people of Western Canada. The people of the United States have been very much impressed with the difference in treatment. I had a letter this morning in which it is stated that a gentleman recently had ten inquiries to take up land in southern Alberta because it is apparent that our settlers are so generously treated in times of trouble and stress and drouth that it is a good country to settle in. My hon. friend is not serious when he says that we are unjust to the people of the West when all we have done is to say that repayment of advances must be made. All we have done is to say that when the money of the people of Canada, east or west, north or south, has been kindly and generously voted by the men of Ontario and Quebec to relieve distress in Alberta and Saskatchewan, we shall not be blind to our obligations and duties and to declare that this salvage money, which is going to make great added wealth for each quarter-section and each half-section of Alberta, shall be repaid out of the added wealth thus created. It will enhance the value of each quarter-section and each half-section to an extent that will leave an equity in favour of the original owner that would not exist but for the very relief that we are advancing. My hon. friend, I am glad to see, has a sympathetic consideration for those in the West. In 1908 he was not averse to taking a prior lien against the mortgagee—but he was then a member of the Government and he is now in Opposition. Of course, if you can create sympathy on the part of the settler, make him think he has been harshly treated, peradventure—I say peradventure—he may vote for your party; but I think he has too fine a sense of justice, too high a realization of what the Government has done in advancing $10,000,000 to assist the settlers of the West, to be affected by such a cry. That action will not be forgotten. There could be no better advertisement for Canada as a whole than thus to show the sympathy of the men of the east, those who have the greatest amount of money, for those in less fortunate circumstances in the West. I trust we shall hear no more about the injustice of this matter.

Mr. PROULX: Does my hon. friend think the political consideration is uppermost in the minds of the Government when they are making the seed grain appropriation?

Mr. BENNETT: I am very pleased to say that I know it is not, for the largest measure of relief has been afforded in the constituency of the hon. member for Lethbridge (Mr. Buchanan), who happens to sit beside the hon. gentleman, and who knows that a great deal of relief given has been given to men of the other political faith, those who came into Canada some time ago and who were led to believe that there was only one side to vote for. They are, however, seeing the error of their ways. I know that these men are able to go to the stores where they formerly purchased, whether they are Liberal or Conservative, and get their goods just as in days gone by and the Government pays the accounts. I know that my hon. friend will at least give the Government credit for that.

Mr. PROULX: I was led to believe that the hon. gentleman thought that the Government was thinking about the vote of the men from the West in the next election because he took credit to the Government for voting this money, and he hoped the settlers in the West would not forget the Government at the next election. He thought the men from the West had reason to feel gratitude towards the Government for what they are now doing.

Mr. BENNETT: My hon. friend is entirely mistaken. What I said was that it was painfully apparent that hon. gentlemen opposite were endeavouring to show to the settlers that they had been treated badly by the Government, in order to induce them to vote with his side; but I said I thought they were men of larger intelligence and greater understanding than that, and would realize that the relief which had been accorded to them had been received from the whole people of Canada.

Mr. BUCHANAN: I think we are getting away from the real purpose of the resolution. In so far as liens and mortgages are concerned, as I am not a lawyer and do not know the merits of these particular arguments, I shall not discuss them. The assistance that has been rendered to this particular district in western Canada will save the mortgages of the loan companies within the next few years. That is my view of the situation.

There is also this fact to be considered—I want to be candid and fair—that if the Government of Canada had not come to the relief of that district last fall, there would unquestionably have been an exodus of people from that district back to the United States and back to eastern Canada; and the result would have been that many homesteads would have been left on the hands of the mortgage companies of Canada. The Government are assisting the settlers by providing relief to maintain them, and then they are providing them with seed so that they may hope to get a crop this fall. They are also providing feed for their stock. I say that this is a necessity. If we get a crop in southern Alberta this year it is going to maintain the population there, and I am not discouraged about the future.

In the year before last the state of Kansas, one of the greatest producing states in the American Union, had a complete crop failure. That state in its early days had a precarious history. People went in there and settled; they met with crop failures and many left the state; but to-day Kansas is one of the most productive states of the Union, and its farmers, per capita, are amongst the wealthiest farmers of the United States.

Mr. R. B. BENNETT: Over 100,000,000 bushels of wheat.

Mr. BUCHANAN: They had a crop failure in 1913 but last year they had the biggest crop in their history—so I am not discouraged about the future in Alberta. We have had good crops there. In this particular district, east of Lethbridge, there have been crops of 40 bushels to the acre of wheat. If that was done in one year it can be done again, and I believe the Government of Canada will receive back all the money it is expending in this particular regard. I believe that the loan companies will eventually have their mortgages cleared off and that the country will be prosperous and successful. I have been told by men in my own district that they started in Manitoba in the early days. I remember a gentleman who settled around Carberry who said they had to overcome so many obstacles there the first two or three years he was in that district that the men who could afford to get out got out and the only people who remained there were the people who could not afford to get out; yet those men who remained are to-day amongst the wealthiest and most prosperous farmers in Canada. I believe that the same thing will be said of southern Alberta in the days to come. It is true that I come from that district and that I am an optimist about it even when the clouds are hanging heavy over that particular country; but a man who has lived there and has seen large crops raised cannot help believing in that country. If our farmers had been in the condition of the farmers of Kansas in 1913 the Government would not have needed to assist them; but the fact is that our country is new, the people have just gone in there, they have very little, if any capital, and have a great deal of expense to meet in the earlier period of their settlement. Consequently when they faced a severe crop failure they had to look to somebody, or some organization, or some Government for assistance. If they had been in that country for a number of years and had had a series of good crops so that they could have laid money aside, they would have been in the same position as the farmers of Kansas in 1913; they could have overcome that obstacle and not worried about the future.

I would like to impress upon the members

of the Government that the assistance they have given has been probably beyond the amount that was at first intended; there is no question about that; but they have undertaken a policy of assisting the settlers of that district and I would urge upon them to carry that assistance out as far as possible until the crop of this year is assured. There is every reason to believe, if present indications are any indication, that we shall have an exceptionally good crop in southern Alberta this year. But what I wish to point out is this. As I said, when the Minister of Finance had the amendment to the Bank Act before the Committee the other day, the farmers of southern Alberta were up against these obstacles; they had no crop, and they had no feed for their stock; and they could not get any assistance from the banks. That is the position the majority of them were in. The Government granted relief to the farmers and their families, and they are granting assistance now in the way of seed grain and feed for stock. But I find in the regulations regarding feed for stock, a limitation which is going to interfere with the development of the mixed farming idea in that section, and that is, that very little, if any assistance is being given to the farmers towards keeping milch cows on their farms. The result is they are being compelled to sacrifice that kind of stock. I am also advised that the feed which is being advanced for farm work-horses is not sufficient to enable farmers to carry out the farm work as it should be carried out at the present time.

I have a petition here from Foremost, which I will read in order to impress upon the Government the view of these farmers. Foremost is in the heart of the drouth district in Southern Alberta:

> Whereas we, the undersigned petitioners, are agreed that the Government allowance of one-half bushel per acre of feed oats for spring work on the farm is far from being a sufficient quantity to properly conduct the spring farming operations, our horses having just come through a hard winter without grain, we believe that an allowance should be made of two (2) gallons of grain to the horse per day for two weeks before work on the land begins and one bushel per acre for all acreage for which each farmer has received seed grain.

That is the statement of the farmers themselves. I intend to forward this petition to the Minister of the Interior, in order that he may look into the matter and ascertain whether the statements are warranted.

There is another point to be considered. In our part of the country, if farming is to be successful, summer fallowing has to be done, and done in the early summer months. If the farmers are not able to get feed at that time, either through the banks or through the Government—and I understand that the Government have not decided to continue their assistance any further than for spring work—the farmers will be up against the very serious problem of not being able to carry on summer fallowing, which is a prime necessity in that part of Alberta. I want to bring that to the attention of the Government, because it is a very serious matter. I repeat that, if the summer fallowing cannot be done this summer, it will interfere with the possibilities of a crop next year. It was established even last year that where summer fallowing was properly done there was a crop even in the drouth district, probably not very large, but a crop nevertheless. Summer fallowing is a necessity, and I wish to emphasize that point; also the point that assistance should be given in the way of feed for other farm stock. I do not say that assistance should be given to a man who is practically a rancher, but I mean the ordinary farmer with a few head of cattle, a few hogs and other stock. Feed should be given to these farmers so that they could carry the stock until they are in a condition to provide feed themselves. The farmer will pay the money back, and if we have a good crop this year, and the prospects point that way, the Government will be repaid this fall for what they have advanced. I am strongly in support of the measure which is now before the House.

Mr. LEVI THOMSON (Qu'Appelle): I think we had better drop any objections we may have as to the mode of taking security. The procedure is not satisfactory in a great many ways, it is true, but I suppose there would be objections to whatever method was suggested. In some cases the mortgagees may be injured, but as a whole I do not think they will, although I cannot agree with the hon. member for Calgary (Mr. R. B. Bennett) in his rather sweeping statement that the mortgagees will in no case be injured. The hon. member for Calgary intimated that if blame was to be attached to anybody it should be attached to the Provincial Government, but I say that if blame should be attached to any one it should be to the Dominion Government, for the Provincial Governments acted under compulsion. I am not finding fault with the legislation, in

its present stage at all events, but this question should not be made a political matter, although perhaps it was unwise of me to expect the hon. member from Calgary to treat it in any other way, if any political advantage was to be gained. My object in rising is this. I have been advised by certain people throughout the West that they are unable to obtain seed grain from this Government because their applications were not in early enough. Now, I do not think that should be made a fatal obstacle to their getting seed grain. I am sure the minister can easily understand why some of the applications were not in within the prescribed time. The matter was in such a state of uncertainty that the farmers did not know where they were; first they were told that they could get seed grain, then they were told that they could not, and then that it was only for farmers on unpatented lands, and so on. I certainly think that the Minister of the Interior should not consider delay in getting in applications a fatal obstacle to the farmers getting seed grain. I think that every application which seems to be bona fide should be considered and help given, and I hope the minister will be able to assure us that the mere fact of being late in getting in their applications will not prevent these farmers from getting the seed grain which otherwise they would have been entitled to.

Mr. W. M. MARTIN (Regina): I must say that, speaking generally, I agree with what has been said by members on this side of the House with regard to the necessity for this legislation. It is a matter which I have previously discussed in the House this session, and I have no intention of making any extended remarks on the subject today. I raised the question of security only for the purpose of ascertaining whether it was the provincial governments of Saskatchewan and Alberta or the Dominion Government who had insisted on a first charge on the property of the farmer to whom seed grain is advanced. I do not think my hon. friend from Qu'Appelle (Mr. Thomson) was exactly fair when he said that the hon. member for Calgary (Mr. R. B. Bennet) had blamed the provincial governments. I scarcely understood him to say that the provincial governments were perfectly willing to do this as a condition precedent to advancing seed grain to settlers on patented land outside, and perhaps inside, the drouth-stricken area, to pass legislation giving the Dominion Government a first lien over and above all mortgages. As far as the matter of security is concerned, I have no particular criticism to offer. The present Government is responsible for the legislation which they have asked the provincial governments to enact and they therefore must assume responsibility for it. If their action is good in that regard they will get full credit for it, whereas, if it should turn out—as I do not believe it will—that securities in the West are prejudiced by reason of this legislation, then this Government will be to blame for it.

There is another matter to which I want to direct the attention of the committee, and it is the point mentioned by my hon. friend from Qu'Appelle (Mr. Thomson). I refer to the question of the uncertainty as to the supply of seed grain in western Canada at the present time. I called the attention of the minister to certain representations that had been made to me in regard to the dates that had been fixed beyond which no person could make application. The date fixed in the restricted area was the 15th of February, and outside of the restricted area, the date was, I think, the 10th of March. I represent a constituency where the seed grain question is not a very burning one outside of a small district, but I have had a good many letters from that district and also from portions of the constituency of Moosejaw from persons who had been notified that their applications had been made too late. Some of the letters that were complained about came from the office of one of the supervisors of the drouth-stricken area in Moosejaw and some from the office of the commissioner of immigration in Winnipeg. There has been a great deal of uncertainty in regard to this matter. I personally do not think that the matter of the supply of seed grain to the western farmers—and we all agree that it is a necessary course for the Government to pursue if they want to keep these people in the country—has been well handled by the officials of the Government. I am not blaming the minister personally, because I realize that with the vast interests he has under his charge he cannot give personal attention to every detail of the service, but I would expect that the person occupying the position of commissioner of immigration at Winnipeg would know something about his business. We recollect that the commissioner sent out a notification last fall that all the security the Government would require from a person settled on patented land for an advance

of seed grain would be a promissory note. The Government have now changed their minds as to the security and they are asking for a first lien. If anything can be done to give the people in the West to understand that even yet it is not too late to send in applications for seed grain, I think the minister would be well advised to take whatever steps he can to carry out that idea.

I am advised that throughout the West seed wheat is being supplied to farmers at $1.50 a bushel. I wish to draw the attention of the minister for two or three minutes to some figures in regard to the purchase of seed grain. I asked the minister certain questions, which appeared in Hansard, as to the average price paid for seed grain in western Canada in the months of October, November and December, 1914, and January and February, 1915. I found that the average price paid by the department in October was $1.10, November, $1.13, December, $1.14, January, $1.49, and February, $1.53. I have not the figures for the month of March. I also ascertained from the minister that these are the prices paid at the local points of shipment in Saskatchewan and Alberta; they are not Fort William prices. On getting a proper statement of the Fort William prices for No. 1 Northern wheat for these five months, I found there was a considerable discrepancy between the prices paid by the agent of the Dominion Government and the prices of No. 1 Northern wheat at Fort William. For the month of October, 1914, the average price paid for No. 1 Northern at Fort William was $1.11. The price paid by the agent of the department was $1.10 at local points of shipment. To that local price you must add 11 cents a bushel for freight from Moosejaw or Regina, so that the price really paid by the agent of the department was $1.21. If you subtract $1.11, the average price of No. 1 Northern at Fort William during the month of October, from $1.21, the price paid by the Government agent at the local shipping points, the difference is 10 cents a bushel in favour of the price paid by the Government. Therefore, you must come to the conclusion that the purchasing agent of the Government paid 10 cents a bushel too much for seed wheat purchased in October. Take the situation for the month of November. I find that, according to the answers given by the minister, the average price paid in the month of November was $1.13 a bushel. The average price at Fort William was $1.18. If you add the freight of 11 cents per bushel from Regina or Moosejaw to the average price paid you find that the price actually paid by the Government purchasing agent was $1.24 a bushel. He therefore paid 6 cents a bushel too much. In the month of December I find that the average price paid by the Government purchasing agent was $1.14 a bushel, while the average price of No. 1 Northern at Fort William was $1.18 a bushel. When you add 11 cents per bushel for freight, in order to make a proper comparison, you find that the price paid by the Government was $1.25 and that therefore the Government agent paid 7 cents a bushel too much in December. In January there is a tremendous difference between these prices. I would like to direct the minister's attention particularly to the month of January. The average price paid by the department for seed wheat was $1.49. Add to that 11 cents freight to Fort William to make the comparison with the Fort William price and you find that the price paid by the Government purchasing agent was $1.60. The average price at Fort William for No. 1 Northern was $1.34, so that there is a difference of 26 cents, which was paid on each bushel in excess of the Fort William average price. In February the Fort William price was $1.54 and the price the Government paid was $1.53. Add 11 cents a bushel for freight and that makes $1.64; so that the Government purchasing agent paid 10 cents a bushel too much for wheat at local shipping points in Saskatchewan during the month of February.

The minister may say that in order to get seed wheat you have to pay a little more money, but the prices I quoted are the prices for No. 1 Northern wheat. Every person who lives in the West knows that a man, to get the price of No. 1 Northern, must have first-class wheat. It is true that the Government are only charging $1.50 a bushel. The Government probably would not have to pay storage charges because they have their own elevators at Moosejaw and Saskatoon, but they would have to pay the charges for cleaning. The prices that the minister gave represented the actual cost of the grain, but there is no doubt that the cost was a little in excess of the figures given. My point is that if you benefit one farmer by paying him 10 cents a bushel more than actual market price of wheat you do injury to every other man who is forced to buy his seed wheat during the present year. While farmers are being asked to-day to pay $1.50 a bushel for their seed wheat, all of the seed wheat should have been bought at

a less price and the farmers should have been getting their seed grain for less money than they are being required to pay to-day.

There is another matter which should be considered, and it is the fact that in the fall of 1914 there was coming out from time to time a demand for seed wheat in the restricted or drouth-stricken area. The Government knew on the 10th or 11th of January that in the province of Saskatchewan alone there were 6,000 applications for seed wheat outside of the drouth-stricken area. The Government took no measures then to buy the seed at a relatively low market price, as they could have done. In October, November and December there was not a tremendous break in the price of wheat, either upwards or downwards. I have the figures here, and they show that on the 1st of October No. 1 Northern hard sold at Fort William for $1.07¼, and it ranged through the month at $1.04, $1.06, $1.14, the high point being $1.16. In November the price ranged from $1.17, the high point being $1.20, and on the last day of the month it was $1.15. In December it started at $1.16, running down as far as $1.15, and on the 31st of that month the price was $1.22. In January, the market opened at $1.26, and inside of ten days it was up to $1.32, the price on the 25th of January being $1.39, and on the 30th of January $1.45. The great rise in the price of wheat at Port Arthur and Winnipeg took place in the month of January. If the Government had exercised reasonable foresight it might have purchased all the seed wheat required in November and December and thus have saved from 20 cents to 25 cents a bushel to the farmers who ultimately have to pay for it. As the maximum amount to be allowed to any farmer is 400 bushels, a saving of 20 cents per bushel would have meant to him $100. Then again, what was the necessity for the Government employing a special agent to buy this wheat? The Government had its Grain Commission, thoroughly equipped with proper facilities for buying, cleaning and handling seed grain and supplying it direct to the farmers. When the government of New Zealand wrote to the Department of Trade and Commerce asking for a supply of oats, the Minister of Trade and Commerce properly handed the purchasing of the oats over to the Grain Commission, and it is a fair proposition to say that the Government should have asked their Grain Commission to provide for supplying the seed grain. We have confidence in the Grain Commission, and no doubt the Government has also confidence in it. The Grain Commission is a body in regard to which the present Government take a tremendous amount of credit in western Canada for having it appointed, although the fact is that when this Government came to power they enacted practically the legislation that was prepared in 1911 under the Government of Sir Wilfrid Laurier. We have a good deal of confidence all throughout the West in the Grain Commission, and the farmers and business men of the West would consider, had the Grain Commission purchased that grain and handled it, that the work would have been done in an absolutely honest and economic manner. I have nothing to say against the man appointed by the Government to buy this seed grain, I know nothing about him, but it strikes me that he has not handled the situation in an economic manner, and for that the Government must assume responsibility. When we look at the market price of wheat for five months prior to the time this seed wheat was purchased, it becomes evident at once that more was paid for the wheat than can be justified. I am convinced that the Government have paid too much for the grain and in the long run the western farmer must pay for it, and this year, at all events, he will not be in a very good condition to do so.

Mr. ROCHE: The chief complaint of the hon. gentleman seems to be that the Government have paid the farmers too much for their grain, because, of course, the great bulk of this grain has been bought from the farmers direct. It is true that the gentleman who was appointed by the Acting Minister of the Interior as a special agent to purchase this grain has in most instances, in order to get first-class grain, paid a slight premium above the market price, but when the hon. gentleman compares the price at Fort William with the price paid to the farmers of Saskatchewan, of course it is an unfair comparison, and he recognizes that himself when the states he had not taken into consideration the cost of bagging and cleaning, which is very considerable. All this grain was purchased from the farmers and taken to the Government elevators.

Mr. W. M. MARTIN: If I had taken that into consideration, the price paid by the Government would be higher than the prices I have given, and, therefore, to the

disadvantage of the farmer, who is paying for the seed.

Mr. ROCHE: The gentleman appointed is Mr. Lindsay, who I understand is a practical grain man, and who has been in the business for many years. He has had a great deal of experience, and it was his view that it would be much better to have one uniform price that we could charge the farmers for their grain, rather than establish one price for those who had their applications in prior to Christmas, when the price of grain was not so high, and another price for those who put their applications in later when the market price had gone up. It was deemed advisable to strike an average which would be just sufficient to save the Government from loss and such average was estimated at $1.50 per bushel.

As to the Government getting the Grain Commissioners to act as our agents to purchase the grain, I may say that it would be entirely too large a contract for them in addition to their regular duties. It has really the special attention and consideration of one man, and I have no doubt that the minister had that in view when the appointment was made.

Mr. W. M. MARTIN: Who was the acting minister at that time?

Mr. ROCHE: The Hon. Mr. Rogers. He selected this gentleman, and I understand there have been no complaints whatever against him. I certainly have received no complaints in regard to the manner in which he has discharged his duties.

Mr. W. M. MARTIN: I understand the Minister of Public Works would like to get rid of him now.

Mr. ROCHE: If the hon. gentleman understands that he understands something I do not know about, because I have heard no such statement from the Minister of Public Works. It is true Mr. Lindsay has been rather unfortunate, because he met with an accident while travelling in the discharge of his duties, and he was in the hospital for some time. The hon. gentleman (Mr. Martin) states, and in that he is confirmed by the hon. member for Qu'Appelle (Mr. Thomson), that there should be no time limit within which applications have to be received, and that this Government should accept every application, no matter how late it comes in. The hon. gentleman (Mr. Martin) will see that the very argument he is using in regard to the prices charged the farmers would be knocked on the head if we accept his suggestion at this late date when grain has reached so high a price. If you add to the present price the cost of cleaning, the cost of freight, and the cost of bagging, it would make a tremendous addition to the cost we are now charging the farmers. The longer we leave the time open for applications, the higher the price the farmers will have to pay.

Mr. W. M. MARTIN: It does not matter how high the price is, that would not prevent the Government purchasing at the market price.

Mr. ROCHE: How on earth will the Government know how many bushels to purchase unless there was a time limit for application. There was a time limit set in 1908, and I heard no outcry on the part of hon. gentlemen opposite against it then. There was a time within which applications were received in 1908, and there was a maximum quantity of grain allowed each farmer. We have had some complaints that we are not allowing as a maximum a sufficient quantity of grain to the farmers. In 1908, when the other Government was in power, the maximum quantity was 250 bushels; it is now 400 bushels. We recognize the necessity of having a greater maximum to-day, in view of the larger acreage that is being prepared for crop, and therefore we are allowing 400 bushels as a maximum instead of 250 bushels. We had to have a time limit, otherwise our buyer would not know how much grain he should purchase. That time limit within the drouth-stricken area was the 31st of January. Those living in the drouth-stricken area have no excuse whatever if they did not have their applications in long prior to that date. If there are applications coming in now from that area, there is no excuse, because the whole West was circularized with regard to that time limit. As I explained the other day, in a portion of the country similarly situated, drouth-stricken but without the area set aside, the time limit for receiving grain was the 20th of February. In all other portions of the province the time limit was the 10th of March. I discussed this point with Mr. Bruce Walker, who has this matter in charge, and it was considered that that was the outside date at which the Government could have the grain purchased and have it go through all the processes which I have indicated, in order to reach the settler's hands in time for them to put the crop in. He stated to me that no person

who claims that the time limit should be extended beyond that date to any extent for receiving applications, purchasing the grain, cleaning it, shipping it out and so on, can fairly understand the condition of affairs that we would be up against if we extended the time limit beyond the 10th of March. I am not going to say that this is an absolute law like that of the Medes and Persians, which we cannot change. If the Government has a sufficient stock of grain on hand, and if the individual cases sent in beyond the time limit are found to be extremely necessitous and the grain is absolutely needed and there is no money to pay for it, I am not going to say that we shall not pass favourably upon such cases, because it is much better to allow the farmers to have the grain than to turn around and dispose of the grain afterwards. We had to set a time limit, and that time limit was a very reasonable one.

Mr. PROULX: What will be the time limit for repayment?

Mr. ROCHE: The payments are due on or before the first day of January, 1916.

At one o'clock, the committee took recess.

The committee resumed at three o'clock.

Mr. ROBB: Having listened this morning to the discussion on the question of seed grain, I wish to say that I believe there are not many millers or grain dealers in Canada who will object to the standard of profit established by Government in the purchase and sale of this grain. The Finance Minister told us this morning that the Government was going to spend about $10,000,000 in the purchase of seed grain. And the Minister of the Interior said that the price they were selling the grain at was $1.50 a bushel. At this price $10,000,000 would represent about 6,500,000 bushels of grain. In answer to a question asked in this House, which question and answers will be found in Hansard, the minister gave the average price paid for wheat for this purpose as follows: October, $1.10 a bushel; November, $1.13; December, $1.14 and January, $1.49, an average of $1.21½ a bushel. The Minister of the Interior told us that the Government were only entertaining applications received prior to the 31st of January. So, we have reason to say that the grain they are selling at $1.50 a bushel they purchased during the months I have mentioned at an average price of $1.21½ a bushel. Now, this price was about 10 cents a bushel higher than the market price at Fort William. When one buys wheat at ten cents above the market price, we have reason to suppose that what he is getting is first-class seed wheat ready to put into the ground. But we will allow them 8½ cents a bushel for cleaning and bagging this grain. The difference in freight between Saskatchewan and Fort William will pay the freight to the point where the seed grain is required. This makes the price to the Government $1.30 a bushel, which means that the Government is working on a margin of profit of at least 20 cents a bushel, which, on this deal will represent $1,300,000 as the amount which the Government have to come and go upon in the purchase and sale of this seed wheat. That is all I have to say in that connection. It is a matter which the Government can settle with their borrowers and the people from whom they are buying the grain.

It has been suggested by people in the West that the Government buying this seed grain ought to see to it that all who sow the grain shall be compelled to take out hail insurance; for I understand that the individual farmer loses his crop by hail probably three times for once he will lose it by drouth. I commend this to the consideration of the minister.

Mr. W. M. MARTIN: I wish to find out definitely if the agreement made with the Alberta government and the legislation passed by the Alberta legislature provides for a lien on the crop grown this year not only for seed grain but for feed advanced to those farmers in the drouth-stricken district?

Mr. ROCHE: Yes.

Mr. MARTIN: Is there a similar agreement with the province of Saskatchewan? Has that government agreed to give a crop lien or chattel mortgage for the purchase price of the seed grain?

Mr. ROCHE: The agreements are the same.

Mr. MARTIN: That is, the lien will not only affect the land, but the Government may take security on the crop?

Mr. ROCHE: Yes.

Mr. MARTIN: It struck me there was something in what was said by the hon. member for Macleod (Mr. Warnock) with respect to the proposed amendment to the Bank Act. So far as the province of Saskatchewan is concerned, outside the burned-

out area I do not think it will make any difference. That is, the Government will only get the seed grain mortgage on the crop if seed grain is advanced; and if not, the Government will not have a mortgage, and the bank may advance the money and get that seed grain mortgage. But in the burned-out area in Saskatchewan or Alberta, a man gives a lien on his crop of next year in order to get an advance of feed, fodder or hay for his stock. But if he does not also get seed grain from the Government, where is he going to get it? The banks will not advance on his security. It seems to me that, so far as the burned-out area is concerned, the amendment to the Bank Act will not be of any advantage.

Mr. ROCHE: The hon. gentleman assumes that a man's credit is gone when he has given a lien on his crop for the feed advanced to him.

Mr. MARTIN: The minister will admit that if the Dominion Government has a lien or a chattel mortgage on the growing crop for the purpose of securing the advance made to him for feed, no bank will advance money for seed.

Mr. W. T. WHITE: That depends on the amount.

Mr. MARTIN: There is no question about it in my mind. As I have said, it may not affect the country outside the burned-out area. There is one other matter: It seems to me the minister has not given us any assurance yet that a man making application for seed grain will get seed grain.

Mr. ROCHE: I cannot give that assurance, because I do not know whether the grain can be purchased at this date or what would have to be paid for it. The hon. gentleman was finding fault with the high price we charge the farmer. But I do not think we should be justified in going on the market and buying to-day unless to meet cases that are very extreme. At this time I do not think there would be any excuse for us doing so. Not only that, but as pointed out to me by the commissioner who has looked into this matter very carefully, I do not think we should have time to go into the market and purchase that grain, ship it to elevators and have it cleaned and put in sacks and then shipped and distributed, in time for seeding. I have already said that if, after supplying the wants of the present applicants we have grain on hand, we will cater to the wants of those whose applications are yet to come in, or that came in after the time limit had expired.

Mr. W. M. MARTIN: It seems to me that the statements of the minister to-day are not exactly the same as the statements made by him on February 10. On that date he wound up his address by saying definitely that every application would receive proper consideration.

Mr. ROCHE: Within the time limit.

Mr. MARTIN: No, there was no time limit fixed in his address of the 10th of February. He said that every application would receive proper consideration. I quite recognize that some time limit must be fixed by the Government, but on the 10th of February the minister did not fix any time limit. He said every application would receive proper consideration. From his statement on February 10 a representative of one of these constituencies in this House would have been justified in saying to any person who inquired about the matter: If you have lost your crop through some misfortune, drouth or something of that kind, your application will receive proper consideration at the hands of the Government. That is exactly what has taken place, and from the 10th of February applications were made out by people in western Canada for seed grain, but they were told definitely that the time had expired and, as I said before luncheon, great uncertainty has existed during the past three or four months in western Canada as to whether the Government were going to supply seed grain. I am not finding fault with the supplying of any amount of grain that may be necessary to care for the people of the West, but I am criticising the way in which the matter has been dealt with by the Government officials in western Canada. The minister and other members will remember that for a period of three or four months every individual in the West was in no doubt as to the supplying of seed grain. Everybody was led to believe by Government newspapers and officials that seed grain was going to be supplied beyond all doubt to every person, whether on patented or unpatented lands, and the letters sent out by the department and statements made in Government newspapers in western Canada did not even fix any limit of area; every man, whether a farmer or a business man, was misled by the circular letters sent out by the Department of Immigration, with headquarters at Winnipeg and by statements published in

the Government press throughout that country. To-day we ought to have some assurance from the minister that, even if a man makes application to-day, his application will receive some consideration. Of course, if the Government cannot get grain, they cannot supply seed, but there was a time within the last five or six months when grain could have been got and got at a much less price than to-day. Take the drouth-stricken area, where the Government knew, when every man in the West knew as early as August 14, when the crops were proven to be a failure, that a large quantity of seed grain would be required, did the Government buy any seed grain? I asked some questions in order to ascertain that, but they were changed to notices of motion for orders, and so I cannot get the information before the close of the session and therefore cannot intelligently discuss this phase of the question. The condition of the matter is simply that for three or four months last fall, when grain could have been purchased at a reasonable price, $1.05, $1.10 or $1.15, the Government purchased a very small quantity of seed grain. I shall not criticise the Government for not looking after people outside of the stricken area, but I do criticise them for not having provided seed grain at reasonable market prices for the burnt-out district. They are charging farmers there $1.50 for seed grain which could have been bought for very much less at an earlier period had they chosen to do so. In so far as my figures given this morning are concerned, I presume it is a fair statement that the Government have probably purchased about 5,000,000 bushels of seed grain up to date. According to the figures I gave this morning, which are beyond dispute, there has been in one month a loss of 6 cents a bushel, in another of 10 cents a bushel, in another of 24 cents a bushel, by the delay in purchasing grain. It is a fair assumption that on the 4,000,000 bushels there has been an average loss of 10 cents a bushel, perhaps not a loss but an over expenditure by the Government, so that the total amount that has been over-spent runs anywhere from $500,000 to $1,000,000. It is true that the Government do not lose the money as it will be extorted at a later date from people who cannot afford to pay it. The minister should certainly give us some assurance that every proper application for seed grain will receive consideration at the hands of the Government, even now.

[Mr. W. M. Martin.]

Mr. ROCHE: I think if the hon. gentleman were as solicitous about the welfare of the settlers as he is to make capital against the Government on this question he would speak in a different tone. He is adopting a most unreasonable attitude. It has been a most difficult situation to grapple with. We have been doing our very best to meet it. The hon. member blames the Government because they could not foresee last August the amount of grain that would have to be purchased even for the drouth-stricken area. That is most unreasonable. Last January, from within the drouth-stricken area, there were received during four days when Mr. Bruce Walker was in Ottawa—and he estimated while here that there would be 600 applications awaiting him on his return to Winnipeg—9,000 applications.

Mr. W. M. MARTIN: These applications came to the knowledge of Government officials in western Canada long before January.

Mr. ROCHE: A small proportion may have.

Mr. MARTIN: If that is the case the Government officials who have been running loose in Saskatchewan the last six months have not been of much use.

Mr. ROCHE: I think they tried to do their duty and have done it well under the circumstances. The hon. gentleman blames us for charging the farmers so much for grain, and in the next breath he urges us to go out in the market and buy at still higher prices. If he would consider a moment and try to deal with the situation as we have tried to do, in a fair manner, he would not be so keen in criticism. The provincial government of Saskatchewan estimated that it would take for relief within the drouth-stricken area one-half million dollars, but they found that in a short time they had expended $1,200,000. The provincial ministers told me that they had not the slightest idea of the extent of relief they would have to grant; and if the hon. gentleman's own friends, living on the ground, could not estimate the requirements of those in destitute circumstances more closely than that, how can he blame us for not having been able to tell, several months in advance, the amount of seed grain the farmers would require. Many applications that have come in have not been legitimate applications. It has come to my attention within the last week that

some farmers have been getting seed grain and selling it to the elevators, and some of them are to-day under arrest for doing so. A great many of those later applications, I have not the slightest doubt, have not been deserving cases; they have not been the kind of cases that we set out to assist in the first place. I have no doubt that the men who have put in their applications since the time limit, after the West had been circularized that there would be a time limit beyond which no applications would be received, could have got credit at the banks to purchase grain. Besides that, I understand that the provincial government took up the cases that we are not supposed to deal with and circularized the farmers of the West to meet their agents on a certain day in order to be dealt with; and now, because we do not deal with every application that comes in, no matter whether it was received before or since the time limit, no matter whether we have grain or not or at what price we would have to buy it, the hon. gentleman is trying to bring the Government into contempt and saying that we have not been meeting the just requirements of the western people. I think his criticism is entirely unjustified. It has been a most difficult position, and Mr. Bruce Walker is deserving of praise, not of such censure as the hon. gentleman has passed on him, for the manner in which he has met the situation. The amount of grain that had been purchased up to the 2nd of March was between three and four million bushels of wheat and about the same of oats.

I think the hon. member for Huntingdon (Mr. Robb) made a miscalculation in his estimate of the profit which the Government would make, by assuming that all this was wheat. Now, we did not purchase that quantity of wheat. As a matter of fact, there was very little difference between the quantity of wheat purchased and the quantity of oats. In addition to that, we purchased some hundred thousand or more bushels of barley.

In conclusion, if we have on hand any grain, after all the just demands that reached us within the time limit have been satisfied, we shall then consider those applications which reached us after the time limit, and shall supply the deserving cases so far as we can. Further than that I cannot go, and further than that it would not be reasonable to expect me to go.

Resolution reported, read the first and the second time, and agreed to.

Mr. ROCHE thereupon moved for leave to introduce Bill No. 85, respecting seed grain, fodder and other relief.

Motion agreed to, and Bill read the first time.

BANK ACT AMENDMENT.

LOANS FOR SEED GRAIN.

On motion of Hon. W. T. WHITE (Minister of Finance), Bill No. 78, to amend the Bank Act, was read the second time, and the House went into committee thereon, Mr. Sevigny in the chair.

On section 1—loans for purchase of seed grain:

Mr. GRAHAM: Does subsection 10 of this section relate to what is known as the secret lien? My hon. friend will remember that we have discussed this principle on several occasions. As I understand it, bankers have the right to secure what is known as a secret lien on any industry, and other creditors of the industry have no reasonable means of ascertaining this liability to the bank. For example, a firm may be supplying goods to some industry or institution apparently doing a good business, but if that industry or institution should get into financial difficulties and fail, the firm that supplied it with goods discovers that the bank has a lien prior to every other creditor, and may not be paid one cent of what is owing to them unless the industry or institution has enough assets to pay all its liabilities; and at the same time the bank gets paid in full. The principle has its advantages, but could not some method be devised by which the bank's lien, if not registered, might be filed in some place where other firms doing business with the institution that has given the secret lien could ascertain what security there was before giving that institution any great line of credit? I know that one of the arguments in favour of the secret lien is that establishments might go to the wall if the banks were not allowed to help them in this way. But is the good accomplished greater than the evil that may be done to the firm that supplies this institution with goods? Personally I have not made up my mind on that point. I have discussed it with some manufacturers, who, of course, think it a very good thing when they are giving the secret lien themselves, but a very bad thing when they happen to be the creditor. Is there not a middle course that could be adopted to overcome the difficul-

ties which have arisen in connection with this matter ?

Hon. W. T. WHITE (Minister of Finance): During the absence of my hon. friend the other day we had a general discussion of this very topic when the resolution preceding this Bill was under consideration; the matter has also been discussed upon every decennial revision of the Bank Act for a long time past; and the argument which has been suggested rather than put forward by my hon. friend has always been put forward on the occasion of such discussions. In a word, I may say that, so far, it has appeared to Parliament that the advantages in favour of empowering the banks to take secret liens upon merchandise in connection with the carrying on of the trade of the country have been regarded as outweighing the disadvantages which my hon. friend has suggested. I was very much surprised myself to learn that liens are taken throughout the country by the hundreds, if not by the thousands, in the course of a single day. They are taken by branch banks all over Canada. It can be very conveniently done under section 88 of the Bank Act. These liens may be paid off the next day or the day after. After twenty years' experience, if not more, I think the experience of the business community has been that no very serious disadvantage has resulted from these secret liens. On the other hand, the advantage has been great, enabling manufacturers to get their raw material and to manufacture their product, and then pay off the lien. My own view is that the range of transactions in which the secret lien might be taken should not be extended without the most careful consideration. It was discussed upon the occasion of the last revision of the Bank Act whether the banks should be permitted to take chattel mortgages upon farmers' grain or cattle and other live stock. I think, that while it was not the unanimous opinion, it was the general opinion of Parliament, that it would be unwise, for two reasons. In the first place, it would place the farmer at a disadvantage with the bank itself. A bank would obtain a chattel mortgage on all he possessed. Secondly, it would prejudice the right of creditors, such as storekeepers and others. On these grounds we did not favour allowing the bankers to take chattel mortgage securities. It would be extremely inconvenient, in the multitudinous transactions that take place between merchants, manufacturers and banks, to compel the registration of every lien which is taken in respect to merchandise.

The question was raised the other day whether it would not be advisable that these liens which we are now permitting the banks to take under this legislation should be registered. The hon. member for St. John (Mr. Pugsley) took the view that merchants and others would be loth to extend credit to farmers if by chance they might be cut out through the operation of the secret lien. It was pointed out to him that there was not the machinery in the different provinces to enable the Government to provide under legislation of this kind for the registration of liens. I pointed out that in the province of Quebec, for example, mortgages or liens upon personal property were illegal, and that there is no provision in the province of Quebec such as exists in Ontario for the registration of chattel mortgages. Therefore, if at this time we determined that these liens should be registered, as the legislation is general, we should be obliged to create machinery for registration in all the provinces. We might have to enact that they should register these liens with certain courts or officers and that certain fees should be paid. Altogether, if we were proposing to enact such legislation, it would be a matter that would require very careful consideration, which consideration would require a greater length of time than we have, at all events this session, still remaining at our disposal.

There was another feature that was not brought out in the discussion the other day, and that was that the charge for registering these liens would of course be borne by the farmer. In the present condition of the West, which it is designed that this legislation shall aid, it is not advisable that we should increase the charges which may be imposed by the banks on the western farmers by requiring that these liens shall be registered. This legislation covers only advances made for a specific purpose—seed grain. Seed grain is vital to the West in order that the crop may be sown. If the crop is a good one, as we all expect, the amount realized from the crop will be many times in excess of the advances made for the purpose of securing seed grain. I think the western provinces have recognized that advances made for seed grain are exceptional and they have special legislation dealing with seed-grain mortgages.

There is one other feature that I pointed out the other day, my hon. friend (Mr. Graham) being absent, that is, that this

legislation is temporary. This is not a permanent amendment of the Bank Act.

Mr. GRAHAM: Not like the tariff?

Mr. WHITE: War taxation can hardly be described as permanent taxation. This legislation is temporary in character. The legislation will have effect from March 15, 1915, and in order that the banks may not have to await the final passage of the Act, I caused them all to be notified of the terms of the Bill and the form of security which they might take. They, of course, will rely on the Bill being passed in substantially the form in which it now is before the House, and I have no doubt that some of them are acting upon it now. I pointed out also that I had made inquiries from all the chartered banks in Canada as to whether this legislation would be helpful. They all said that the determining, the controlling factor in their extending of credit would be the general standing of the borrower. I think that is a sound banking principle, but it appeared to me also from their replies that it would be of some material assistance to the farmers of the West if the bankers were put in the position of obtaining this additional security. I think that any farmer who is in good standing will be able to obtain an advance for seed grain probably without this legislation, but this legislation may help even his case, and there are some cases no doubt in which the ability to obtain the security may be decisive with the banker in considering the question of whether or not an advance shall be made. I explained the other day that this legislation had not been asked for by the bankers, but that it had been asked for by others—by the hon. member for Lisgar (Mr. W. H. Sharpe) and by others who are interested in the West and who know the conditions prevailing there.

Mr. McCRANEY: The minister speaks of this legislation as having a limited duration. What limit does he intend to put to it?

Mr. WHITE: For the present year. My right hon. friend the leader of the Opposition (Sir Wilfrid Laurier) stated the other day that personally he could see no reason why this legislation should not be made permanent, but that inasmuch as it was an experiment we would be better able to judge of its results after we had seen how it worked out. I think there is much to be said for that view. If it turns out that this legislation is useful and not likely to prejudice the interests of creditors I should be prepared to take into consideration very carefully—because this is a matter that would require very careful consideration—the question of whether it should be permanently embodied in the Bank Act. At present we only go so far as to bring in legislation which will assist the present situation existing in the West.

Mr. GRAHAM: I am sorry that I was not here the other day when the argument in favour of this legislation was presented. I want to assure the Minister of Finance that I did not have special reference to this legislation.

Mr. WHITE: I know.

Mr. GRAHAM: I was considering the larger view as to how what is known as the secret lien of the banks affects industries generally. I have as much confidence as any one in the West that the situation is just temporary and possibly the little difficulties that the West is experiencing now may not be such a bad thing for the country in the long run. I earnestly agree with any attempts that are being made to enable the farmers to get money from the banks. Possibly I would not go so far as to say that this legislation enables banks to give them money, but it enables farmers to get money from the banks. That is the way I prefer to put it. There has been some criticism as to whether the banks are doing their full duty to our great industries in the country in the present time of stress. I will not discuss that question, as I discussed it the other day. It always did strike me as a little anomalous that a bank should have the privilege of getting a prior security over all other creditors without the other creditors knowing it. That is a point that strikes the public as being very peculiar. But that is apart from this question, as the Minister of Finance has explained. I only rose to point out to the minister that I had no reference at all to this legislation because it is extremely necessary, and I would not throw the least straw in the way of having it made clear that the farmers will be able to get money from the banks on the best terms possible in order to tide them over the difficulties that now face them in the West. I have every confidence that these difficulties will be tided over and that western Canada will continue to be a great and important part of this Dominion.

Mr. McCRANEY: The minister pointed out that in some of the western provinces special provision is made for security being taken on growing crops. In the province of Saskatchewan, and I believe in the province of Alberta, the Chattel Mortgage Act forbids the giving of any security on the growing crop other than security which may be given for seed grain. In the chattel mortgage itself the particulars of the grain supplied must be given as to quantities and prices, and an affidavit as to the bona fideness of the transaction is provided for. Consequently, under our provincial law, security on growing crops can be made use of for only the one purpose of purchasing seed grain. As the operation of these provisions in the Bill is confined to advances made only for the purpose of purchasing seed grain, I see no objection whatever to the conditions being made permanent. I understand the minister to say that he only wants this legislation for this year. I think the Bill might very well go through in a permanent form, because it looks like good legislation. If the provisions were that security could be taken by the bank for any other purpose than seed grain, I would object to it, but as it is limited to that one purpose, I think that it is not only good, but that it should be made permanent.

Mr. CARROLL: Does not the minister think there should be some affidavit attached to this schedule in which the borrower could be made to declare that this money is to be used for the purpose of purchasing seed grain? I think the schedule as it now stands may leave an opening for fraud, although I do not think, of course, that the farmers would be guilty of such a thing.

Mr. LEVI THOMSON: I am with the hon. member for Saskatoon as to the wisdom of some such legislation as this, and I also agree with what appears to be in his mind that probably there will be permanent legislation on this subject by and by. I do not know if other provinces have the same legislation as to the giving of securities on growing crops as the province of Saskatchewan has. I do not agree with the minister's reasons for not requiring registration; I do not think they are good reasons, with all due respect to the hon. gentleman. There may be some provinces in which there is no provision for registration of any chattel mortgages, but why should that be any objection to having a provision in this Bill that in any province in which there is provision for registration, these liens must be registered in accordance with the laws of that province?

Mr. WHITE: Under the law of the province of Quebec there is no provision for registration, because a chattel mortgage is absolutely prohibited.

Mr. THOMSON: That does not prevent you from having a provision in this Bill whereby the lien should be registered in any province where there is provision for registering such a lien, in accordance with the law of that province. I see no objection to that, but I do see every objection to allowing the banks to take liens without registration. I am satisfied it would work very badly in Saskatchewan, and I can see where a great deal of difficulty would arise. I do not know what the provisions of the law in Alberta and Manitoba are in this respect, but I fancy they are very much the same as in our province. The cost of registering is only 25 cents in Saskatchewan, and I think it is about the same in other provinces. The fact that there is not such a provision in this legislation will cause the farmers a great deal more loss than the paying of a small fee for registration. There is no doubt it will injure the credit of the farmers generally not to have registration. I have seen quite a number of these seed grain chattel mortgages, and sometimes they are made by mortgagees who have never seen the grain at all, and I have no doubt that in practically every case where the bank advances the money it will not be a delivery of the seed grain at all. If I want to borrow money from the bank I can sell my seed to the bank and then I can re-buy and give my mortgage, and that is the way it will be done. In that way we will find that a very large proportion of the farmers of the West will have their crops mortgaged. There is no objection at all to that in my mind, so long as the liens are registered that everybody can ascertain in the registry office whether or not such a farmer has given security on his crop. I certainly think the minister should never dream of passing this legislation without having a provision for registration in any province where registration is allowed, according to the laws of that province.

Mr. W. H. SHARPE: I am not at all surprised that a lawyer like my hon. friend (Mr. Thomson) should be in favour of registration, but being a farmer myself I am

very much opposed to it in this case at the present time. My idea was to let the legislation go through as it is, because if you require registration the farmer will have to have a regular chattel mortgage form and that would mean five dollars for a lawyer to draw it up and seventy-five cents for registration. It is in order to do away with these hardships on the farmer that I am in favour of passing this Bill as it is.

Mr. LEVI THOMSON: I think my hon. friend is a long way off in reference to the charges of the lawyers.

Mr. SHARPE: I have paid those fees before now.

Mr. THOMSON: If this legislation requires registration I do not think there is one lawyer out of a thousand who will ever draw a single chattel mortgage.

Mr. SHARPE: They would not need to if the Bill passes in its present form.

Mr. THOMSON: They would not need to under the provision I ask for.

Mr. SHARPE: If registration is required, you would need to have a regular chattel mortgage.

Mr. THOMSON: No. The hon. member for Saskatoon (Mr. McCraney) has told us what is required in Saskatchewan, and I think the same applies to the other provinces. The instrument will show bona fide for what reason the mortgage is given, and the affidavit of the mortgagee must show the same thing. I think the laws in the different provinces in reference to this matter are much the same. This Act might provide that such a form need not be used, and you do not need to go to a lawyer.

Mr. W. H. SHARPE: They would go to a lawyer.

Mr. THOMSON: My hon. friend need not worry about the lawyers. The farmers are just as liable to go to a lawyer under the Bill as it is at present than if registration were required.

Mr. W. F. MACLEAN: The remarks of the Minister of Finance to the effect that he regards this legislation as experimental and that it may be followed later by permanent legislation, brings up the question of the banking facilities in this country. I am not now going to make any long criticism of the situation, but there is a very strong belief in the country to-day that there is not sufficient banking accommodation for the farmers. An excellent example has been set to Canada by other countries which have passed special banking legislation for the benefit and the relief of farmers. I see no outcome of the the present war except the widest kind of revision of our banking legislation with a view to giving greater banking facilities to the farmers. The chairman of the Conservation Commission, Sir Clifford Sifton, a short time ago delivered an address in Montreal in which he pointed out that the great need of the western farmer to-day was banking accommodation and that he could not get it from the ordinary large banks which had their headquarters in the East and their western branches administered by local managers. I think that criticism was sound. He said further that there was a necessity in the West—and I believe throughout this country—not only for large banks but for smaller banks, very much after the style of the local banks in the United States, which have proved of great assistance to the farmers in the West. I do not see why a farmer should not be able to borrow money from a bank on his real estate. Progressive banking legislation always makes provision of that kind. The minister says that he will have to reconsider the whole question. I know that he will have to reconsider it after the war is over or before it is over. Having the farmer always in view—and that puts me in order—we shall have to have a banking system based on a national currency and a great national bank, the Bank of Canada, made up of all the banks of the country, in the same way as the National Reserve banks of the United States have been created. The latter were created by compelling all the banks in the United States to join in taking stock in those National Reserve banks. The national currency of the United States is the best currency in the world, and our national currency is the best currency that we have in this country. We are going to validate certain action taken by the Minister of Finance for a larger use of the national currency. I am not going to blame him for it. Therefore, when we come to deal with banking relief for the farmer, it must be based upon two things, namely, a great national bank to which all the banks will be subscribers, and the emission of national notes in place of bank notes for the use of all the banks comprising the national bank of Canada. That national bank will have another function, namely, to be a bank of rediscount. The country is in need of that great relief. We

should have had it by now. I brought that matter forward last session, and I intend to bring it forward whenever I have an opportunity to do so. The great relief to the farmer and to the merchant and to the ordinary individual is to have a national bank established, which will be a bank of rediscount; that is, which will rediscount the paper submitted to it by the large banks or by the smaller banks, even by the credit banks such as exist in Europe for the special benefit of the farmer. We are perhaps giving the farmer some relief now, and I hope this legislation will prove a source of relief. If it is a good measure I hope it will be made permanent.

There has been a great improvement in banking in the United States. Hon. members may say that business is slow there; that it has not recovered yet; but great improvement has taken place, and the situation is much better by reason of the rediscount banks. Not a single objection has been raised against them. As a war measure, we have temporarily made the Minister of Finance, associated with our banks, a bank or rediscount. It has turned out that he has even been a bank of rediscount himself without the intervention of a bank, and he proposes to have legislation passed indemnifying himself for what he has done. I hope we shall give him that indemnity.

If we carried out the suggestion I have made, we would be in a position to take care of the business of the country. We are not taking care of it at the present time. I am not blaming the banks, because perhaps they are doing all they can; but they are not working along the right lines that will help the farmers. I have read all that has been written and spoken about this question in this country for a long time, and I have discussed it in this House. Certainly some kind of radical reform in our banking legislation is called for with a loud voice. I hope the minister, in view of his confessions here to-day that he may make permanent this approach to meet the wishes of the farmers, will go much further and will give this country a wider banking Act based on the principles that I have suggested, and will do it for the benefit of the farmers. The almost universal

4 p.m.

cry of the drovers and farmers and cattle-breeders of Ontario has been that they cannot get money with which to carry on their business. It is not because the banks have not the money, but because they have not sufficient confidence in the situation. The way to give them that confidence is to make the State a partner in the banking of the country. Lloyd George and the British Government have made that Government the head of the banking of the Old Country, and they have done it in a flash; they have placed that Government at the head of manufacturing, and they have done that in a flash, and the British Government has taken over the railways of the country.

In view of the conditions that this war has brought about, a radical reform in the banking policy and in the railway policy of this country must come. While we may patch up things by temporary and emergency legislation, that legislation will not be equal to the situation as it is at present and it certainly will not be equal to the situation a year hence. My advice to the minister is that he should begin to arrange and to plan the widest kind of a reform in the banking situation of this country, so as to accommodate the farmers as well as all other classes, and to base it, as the United States have based their reform, on a national currency, and a national bank at the head of all the banking of this country, which will be a bank of rediscount for farmers' notes and all other kinds of notes.

The minister says that we shall have progressive legislation that will enable our country to be built up. The great complaint you hear everywhere is that the people cannot get money to do what they want to do. It may be partly their mistake; they may have gone too much into speculation and too little into their own business. The country owes it to the men who are doing the business and farming the land of the country—it is due from the country to the industries and aspirations of the people—to see to it that there is a sufficiency of currency based on sound security. People say: Oh, you are advocating rag money. I am not advocating anything of the kind. An issue of money could be made, based on a reasonable percentage of gold—just what that percentage should be is one of the things to be ascertained. The money of Canada, and especially our national notes, never was so good and never would purchase so much as to-day. So we have made no mistake so far. If we issued more of these notes and gave them to a great national bank of re-discount the farmers would find it easier to get money than they do to-day. My proposal is a liberal

issue of national notes, secured by a percentage of gold and handed over to a great national bank which would re-discount the notes of other banks for the benefit of the farmers.

Mr. W. M. MARTIN: I was one of those from the West who took up this matter with the Minister of Finance two or three weeks ago, and he told me that a Bill would be introduced along the line suggested by myself and others. I was induced to speak to the Minister of Finance on the subject by correspondence I had with bankers in the city in which I reside. There has been a feeling that legislation of this kind would be of assistance in enabling the banks to advance money to farmers for the purchase of seed grain. The object was if possible to give the banks an opportunity to loosen up a little money for the purchase of seed grain for farmers who were not in the class designated by the Minister of the Interior in the legislation we have just been considering. It seemed to me it would be wise legislation if it relieved the bank of anything that now hampered it in advancing money in such cases. As to registration, I do not think it can make much difference in the present case. In Saskatchewan, in Alberta, and also in Manitoba, we have provision for what we call seed grain mortgages. The only thing for which a chattel mortgage can be given on a growing crop or a prospective crop is for the purchase of seed grain. The present Bill does not change the circumstances, but gives the banks the power to take a lien on a growing crop, and whether it is registered or not, it seems to me, it does not make much difference. As a matter of fact, the lawyers will not profit by this, as has been suggested. Seed grain mortgages in our country are usually drawn by lawyers, because the document is less simple than a chattel mortgage. But this measure provides a simple form which will be in the hands of the bank, and will be filed in the bank. As the measure is for the purpose of assisting the farmer, it is just as well not to bother about registration. It is provided in schedule G of this Bill:

> Inasmuch as the said advance was made on the representation that seed grain would be purchased.

The man represents to the bank that the money he seeks to borrow is required for the purchase of seed grain, and even though he does not buy seed grain, the bank still has a mortgage on his crop. I would not criticise that. For the sake of our financial institutions and the stability of business, our banks must be protected.

As to what has been said by the hon. member for South York (Mr. W. F. Maclean), I have not his theoretical knowledge of our banking system; but I have one criticism to offer. I believe that, so far as the West is concerned, the banks have handled a very difficult situation there for the past eighteen months very well. And, by the way, the Minister of Finance will admit that, so far as the West is concerned, we had a financial stringency long before the war was ever thought of. The Solicitor General (Mr. Meighen) made a speech in this House on agricultural credits in April, 1913, shortly after the Naval debate, in which he spoke of a financial stringency as existing. That was two years ago; and we have had that financial stringency ever since.

In Saskatchewan we have very few manufacturing institutions, and our province is better off since the war than it was before. The war has not benefited the wildcatter and the real estate subdivider, but it has benefited the average business man and farmer by improving the prices of our commodities. So, financial stringency has not been caused by the war so far as Saskatchewan is concerned. But what I was going to say is that our banks are large chartered banks, not local institutions. They are all controlled in eastern Canada, and the men at the head of them have not the knowledge of western Canada that they ought to have. My only criticism of the Canadian banking system is that vast sums of money are gathered in the cities of Eastern Canada and loaned to great manufacturing institutions in huge sums, and the little fellow in the West has no chance to get any money. That is a criticism that will be agreed upon by men from western Canada sitting upon opposite sides of this House. I do not know whether the Minister of Finance can do anything to rectify that system. It is pointed out that the American banking system is better for local needs than our own. I do not think their banks are as strong as ours, but the advantage of them is that the money is gathered at local points and administered by local men who know and understand local conditions and the needs of the people of the locality. In the West we do not reap the benefit of the money gathered in; it goes to the East, and we do not see it again.

Mr. SCHAFFNER: This is a subject that has been discussed a great deal, and I

would like to ask the hon. gentleman (Mr. W. M. Martin) a question about it. If I understand him, he intimates that money deposited by western people is not used in western Canada, but is sent to be used by eastern people. Now, I understand differently, and I have tried to ascertain the facts. I understand that there is less money deposited in the West than is used in the West, and that instead of western money coming east, eastern money is all the time going west, But that is the point I raise, and if any one can give me information on it I shall be glad to have it.

Mr. W. M. MARTIN: I think there can be no doubt about eastern money coming West, but I have been led to understand that there is a large movement the other way. I have no figures to give the hon. gentleman.

Mr. R. B. BENNETT: The matter discussed has engaged my attention during a good many weeks of the last year. There have been many attempts in western Canada to solve the difficulty in connection with the lack of money to carry on not only farming operations but many other operations.

The banking system of Canada, it seems to me, may be considered under several heads. First of all, you have the capital of the banks. The capital is the property of the shareholders of the banks absolutely. Over that, it seems to me, Parliament should have no power. Parliament has no reason to interfere with what men do with their own money which they subscribe for a corporation called a bank. With that capital they may buy offices, lands, premises—do anything they like. Then, secondly, we have the deposits made by the depositors throughout Canada. The duty of Parliament is twofold: first, to preserve by adequate legislation the rights of the depositor, and, secondly, to insure by reasonable legislation that these deposits are used by the banks for the public interest as well as for the making of profit. Then there arises the third position, that is, the franchise or privilege which is conferred upon the banks by Parliament. By the acts of this Dominion we have conferred upon banks the right to issue paper money to the extent of their paid-up capital. In other words, when three or four men band themselves together as a corporation and call themselves a bank, they have a right to issue paper money to the extent of the paid-up capital of the institution. That is an extraordinary franchise, an extraordinary privilege, an extraordinary power given to individuals who, by an accident, are able to call themselves a bank instead of some other kind of a corporation. For that franchise this Parliament has a right to hold a bank to the strictest account, and in the exercise of those powers this Parliament must stipulate that they shall be exercised for the public interest and not for the benefit purely of the private individuals. That is the paramount duty of Parliament, and that duty Parliament has always endeavoured to discharge in times gone by by the passing of what are called Bank Acts. But with the development of society, which, after all, is very complex in these days, the question as to what powers and privileges should be given to banks is becoming of immense importance, and the real question we have to consider in this Parliament is to what extent the granting of so large a franchise as the right to create paper money to the extent of paid-up capital of the bank——

Mr. W. F. MACLEAN: More than that now.

Mr. R. B. BENNETT: Yes, more than that now, but I am speaking generally—to the extent of its paid-up capital, and the extent to which the banks shall be compelled to exercise these powers purely in the public interest as distinct from the right to exercise them for their own profit. I think that Parliament has been fairly reasonable in restricting the powers of banks and preserving the rights of the people. I devoted a great deal of time to the matter last fall, and I was confronted with this condition, and it is a very difficult one: the difficulty in the Dominion of Canada lies in the fact that we have too few deposits and that the volume of our wealth is too small. That is the real difficulty; we might as well face it frankly. I took the trouble to analyse the situation in western Canada. I started out to criticise, and I was somewhat censorious, because I thought the banks had to some extent failed in the discharge of the duties which devolved upon them by reason of the powers conferred upon them by Parliament. What did I find? That west of the Great Lakes the deposits bore no proportion whatever to the loans; there is more money loaned in western Canada by 100 per cent than the aggregate deposits of the people there. When confronted with that difficulty what could I do? The hon. member for Regina (Mr. W. M. Martin)

says there are no western banks. On the contrary, the Union bank changed its headquarters to Winnipeg, the Northern Crown bank has its headquarters in Winnipeg, and the Vancouver bank has its headquarters in Vancouver. The Weyburn Security Bank has its headquarters at Weyburn, Saskatchewan. The Union Bank of Canada has in western Canada, with but one exception, the largest number of branches, and I once heard a rather distinguished gentleman, a director, I think, of one of the other banks, say that next to the Canadian Pacific railway western Canada owed more to the Union bank than to any other corporation for establishing branches in the West. But the volume of deposits in western Canada is insignificant compared with the loans. Let me give an illustration. The city of Calgary borrowed at one time $4,000,000 from one of the banks in Canada. The aggregate deposits in all the banks in Calgary, outside of commercial loans is, I believe, less than $4,000,000; so that that one corporation, the city of Calgary, had borrowed from one bank as much money as the aggregate deposits of all the citizens of Calgary! There are two or three corporations in Calgary with loans running from $500,000 to $1,000,000.

I took up the question because many financial institutions in western Canada had come to the conclusion that the only way in which there could be any permanent addition to western Canada's wealth was by a policy of production. I do believe that the future of Western Canada rests entirely upon the development of a settlement plan upon a large and comprehensive scale. I do not believe that any good will be done to western Canada by merely inviting settlers into that country and sending them here, there and everywhere. I believe that in the future, after the period of readjustment and reconstruction comes in Canada, after the war and after peace, the hope of Canada lies in our being able to define, lay down and carry out a carefully prepared and well considered scheme for settlement. That scheme must involve many things which this is not the time nor the place to discuss, but to which I have given some consideration; but in so far as the banking system is concerned, while I started out last fall with the idea that the banks had not treated the West fairly, after a very great deal of attention and consideration, I came to the conclusion that we were being loaned about twice as much as we had on deposit, and I felt that my strictures upon the banks had been somewhat unfair. But to this extent only the banks are to blame for some of the extravagant ideas that have prevailed in western Canada. The first great impetus given to the sale of real estate in Calgary was given by a bank; in Edmonton and other places the same thing may be said. Banks have been buying lands at very exorbitant prices; they have always selected the best corners in communities, and they gave the first fictitious value to land in many western cities. I say that frankly, but the answer given to me is this—

Mr. CHAIRMAN: The remarks of the hon. gentleman are very interesting, but it is my duty to draw his attention to rule 13, which states that in Committee of the Whole discussion must be strictly relevant to the question under consideration.

Mr. BENNETT: I very much regret that my remarks are so wide of the subject under consideration. I shall defer to the ruling and make no further observations along the lines on which I started out. The whole business of banking in Canada at the present moment, owing to our limited capital, consists in being able to lend the savings of nine persons to the tenth, and the duty of the bank is unfortunately to determine who that tenth person shall be. Until our deposits have multiplied and increased we shall not be able to do more than make the savings of the nine persons suffice for the needs of the tenth. But presently, as our savings and deposits increase, we may be able to lend the savings of four persons to the fifth, and later the savings of two persons to the third, and possibly eventually do even better than that. But I say, in all fairness, after very careful consideration of the circumstances of the situation feeling just as the hon. member for Regina (Mr. Martin) has done, engaging sometimes in somewhat violent criticism, and assuming a somewhat censorious attitude towards the banks, that I am convinced, first of all, that it was none of my business what they did with their paid-up capital; And, secondly, that having the deposits of various people throughout Canada they should be circumscribed and hedged round by legislation that is sound and based on proper principles, and that for the franchise they enjoy they should be held to the strictest account.

I should say this further. The Minister of Finance has shown a more intelligent desire to meet the demands of the farmers

of the West than any official that I have known for many years, and when faced with the very difficult situation that arose by reason of the shortage of funds on the part of industrial concerns, he went out of his way to endeavour so far as he possibly could to ensure that industrial development should not stop, and that the farmers in all cases where it was possible should receive small loans—because they have only asked for small loans. While his modesty may prevent him from stating it, I should like to say that the circular letter he sent to the general managers of all the chartered banks last fall, directing their attention to the necessity of doing everything they could to extend credit to the agricultural classes in western Canada, has been fraught with good results, and has done something to alleviate the burden which the farmers have had to bear in days gone by, and has done something to make it possible for them to carry forward their operations, looking forward with a spirit of optimism to the crop that will come this fall. That is my only excuse for tresspassing on the time of this committee, and I very much regret if I have somewhat wandered from the question under consideration and spoken rather more widely than I should have done.

Sir WILFRID LAURIER: Sin no more.

Mr. CARROLL: When I suggested to the Minister of Finance that a declaration or affidavit should be annexed to Schedule G, I did not have in mind the matter of registration at all, but the protection of other creditors. Under the Act as it stands there is nothing to prevent a man from borrowing two, three, or five hundred dollars from a bank and using the money for other than the purposes intended. It is true that Schedule G says that representation must be made that the seed grain will be purchased with the money advanced, but as the hon. member for Regina has pointed out that is protection to the bank. The ordinary creditor with whom the farmer deals should also have some protection, and I am sincere when I suggest to the Minister of Finance that there should be some sort of declaration or affidavit affixed to the schedule, in order to make either the bank or the borrower prove that the money will be used to purchase seed grain. I notice that by section 17 of the Bills of Sale Act for the province of Saskatchewan, in conveying future crops by a bill of sale,

[Mr. R. B. Bennett.]

The date of the purchase of seed grain, the number of bushels purchased and the price thereof per bushel must be stated in the mortgage as well as in the affidavit of bona fides.

I believe that if the declaration or affidavit were made out it would close up the loopholes or fraud, and give protection all round. The affidavit could state the number of bushels purchased, the price per bushel, and declare that the money would be used for the proper purpose.

Mr. W. T. WHITE: I think the safeguard lies in the relationship which exists between a banker and his customer. As I have pointed out, the Bank Act permits a bank to take a lien upon personal property, and does not require registration. On the other hand, the legislation in all the provinces in which chattel mortgages are permitted, provides, I think, without exception, for an affidavit of bona fides and registration, in order to protect other creditors. My hon. friend the Solicitor General points out that Quebec is an exception because, by law, a chattel mortgage does not exist there. If my hon. friend will observe schedule G carefully, he will see that representation has to be made to the bank. If a false representation is made, the party making it is liable for deceit; and the banker will have an interest in seeing that the customer to whom he is extending credit purchases seed grain and sows that grain, because it is to the crop that the banker must look for his security. The relationship between a banker and his customer is pretty intimate, and having regard to the fact that representation has to be made to the banker, and to the fact that the banker will know his customer fairly intimately before he will make an advance at all—he would not make an advance to a stranger or to any one without first making inquiry as to his financial standing and credit—having regard to these two facts I think the legislation is sufficient, without provision for an affidavit or bona fides such as is required by the several provinces. As I pointed out originally, there is a differentiation between the Bank Act and the chattel mortgage legislation of the provinces, and I think it is justified on the ground of the intimate relationship that exists between a banker and his customer. A banker always has regard to general credit and standing even when he is taking security; but that is not always true in the case of loans on chattel mortgages.

The point was made a short time ago that no legal assistance would be required by

the banks in taking a lien in the nature of a chattel mortgage. Now any lawyer in this House knows that hardly any document can be set aside so easily as a chattel mortgage, providing certain essentials are disregarded. The chattel mortgage must identify the property and the place where the property is located, and the statutory affidavit of bona fides must be followed. My own view is that if we attempted to provide in this Bill for the preparation, execution and registration of something in the nature of a chattel mortgage, accompanied by affidavit of bona fides, there would be a legal fee payable by the farmer on every transaction. I understand that my hon. friend from Regina is not greatly impressed by the argument that the pledge taken by the bank should be registered; so there seems to be a difference of opinion among hon. gentlemen opposite whether such a safeguard is necessary. As this is an amendment to section 88 of the Bank Act, and analogous to the security which, under that section, may now be taken by the banks on merchandise, and having regard to the fact that the legislation is not permanent, but temporary, and to meet an exigency which exists at the present time, I am inclined to think that the House will be justified in passing the Bill in the form in which it was presented. I do not believe that any abuse is likely to occur, at all events any substantial abuse which could for one moment weigh against the advantages which this legislation is likely to confer.

Mr. PROULX: Could there not be a limit to the amount borrowed, on the basis of the acreage sown?

Mr. WHITE: I have not provided for that.

Section agreed to.

Bill reported, read the third time and passed.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Civil Government—Post Office Department, salaries, $807,710.

Hon. T. CHASE CASGRAIN (Postmaster General): There is an increase of $1,800 which is solely due to statutory increases.

Mr. GRAHAM: The permanent staff is exactly the same as it was a year ago?

Mr. CASGRAIN: Yes.

Mr. GRAHAM: There is another item beneath this for contingencies and that is where the increases come in with regard to the permanent staff.

Mr. CASGRAIN: No, not in the permanent staff; there is an increase of $14,000 for contingencies which I shall explain in a minute.

Mr. GRAHAM: As I understand it the permanent staff in numbers is the same as it was last year?

Mr. CASGRAIN: Exactly.

Mr. GRAHAM: I think there have been some promotions and changes in the regular staff, although the number remains the same.

Mr. CASGRAIN: Yes.

Mr. GRAHAM: It has been intimated by the hon. Minister of Customs (Mr. Reid) that it is difficult to make promotions in the way that he would like on account of the Civil Service examination. Have the promotions in the Post Office Department been made according to the Civil Service Act? Has everybody passed the examination prescribed by the commission who has been promoted or appointed?

Mr. CASGRAIN: Yes.

Mr. GRAHAM: The Civil Service Act has been in force only a few years and it is not easy to get it into working order. The difficulty of having every person fall into line with a new order of things is not inconsiderable; in fact, some of the departments have not fallen into line yet. Has the Post Office Department adhered to the Civil Service Act in regard to its promotions and appointments?

Mr. CASGRAIN: Absolutely.

Sir WILFRID LAURIER: Absolutely, does my hon. friend say?

Mr. CASGRAIN: Yes.

Sir WILFRID LAURIER: Let me call my hon. friend's attention to the item for contingencies:

Clerical and other assistance, including $50 a year to pay W. Cooch for inspecting letter carriers' boots, $48,000.

Inspecting boots is quite advisable and proper, but that is not according to the Civil Service Act.

Mr. CASGRAIN: I am told that this has been continued from the time of Sir William Mulock. I believe it has effected considerable saving.

Sir WILFRID LAURIER: So long as my hon. friend follows the example of Sir William Mulock it is all right.

Mr. CASGRAIN: I am only following a good example.

Mr. GRAHAM: The question of the inspection of boots is a delicate point just now.

Mr. CASGRAIN: Not in the Post Office Department.

Post Office Department — contingencies, $125,000.

Mr. GRAHAM: I presume the gentleman who inspected the boots was qualified, but how does the minister account for an increase of $8,000?

Mr. CASGRAIN: Out of this vote are paid the salaries of the temporary clerks appointed by the Civil Service Commission to the inside service. It is estimated that we will require $8,000 until March 31, 1916. Then, temporary employees are taken on during the summer holidays. It frequently happens that when permanent employees are required the Civil Service Commission have no employees to give us and therefore we have to appoint temporary hands. I am informed that it will take this amount to carry on through. That accounts for the $8,000.

The $6,000 increase in the cost of printing and stationery is occasioned by the increase in the parcel post rural mail delivery and should we, as we are considering, insure postal parcels, this amount of $6,000 will be absorbed.

Mr. GRAHAM: There was a request I was going to make of some member of the Government, and perhaps as the Postmaster General is new in the Cabinet he will listen to me more kindly than some of the older hardshells. Every session we have employed in the buildings a very competent staff of stenographers to look after the correspondence of the members, and while this staff is fairly well paid during the session, yet there is a long recess, and it has occurred to me that it would be advisable for the Government to employ them as temporary clerks throughout the year when the House is not sitting. That would be following in the line that large manufacturing establishments adopt of endeavouring to keep their organizations intact. The experience these stenographers have gained during the session fits them for work the next session, and there might be quite a number of them employed during the balance of the year when temporary employees are needed. This would keep the organization intact; would not cost the Government any more, and I think it would be preferable to bringing in outsiders. These stenographers are all competent, so far as I have had experience of them.

Mr. CASGRAIN: The remarks of my hon. friend have fallen on willing ears. It is the custom of the department to employ these sessional employees whenever we require temporary help.

Mr. GRAHAM: I am glad to hear that from the Postmaster General, and I wish I could convince other ministers as to the advisability of this. I understand that out of the war appropriations certain amounts have been taken to pay for the services of substitutes who have taken the places of members of the staffs of the different departments who have gone to the war. If an official goes to the war his salary is continued, but I am told that the substitute taken on in his place is paid out of the war appropriation. Is there any of that done in the Post Office?

Mr. CASGRAIN: That is the intention, but it has not yet been carried into effect in the Post Office Department. At present we are paying those substitutes out of our own appropriation.

Mr. GRAHAM: This Government is hardly as patriotic as the Canadian Pacific Railway and the Grand Trunk and other large corporations, who pay their servants when they go to the war out of their ordinary funds. The Government here is practically borrowing money to pay for these substitutes. I am not criticising the system severely, but the public should understand what the Government is doing.

Mr. HAZEN: Mr. Speaker has called my attention to the fact that during the recess when temporary stenographers are required by the departments in Ottawa, it is the practice of the Civil Service Commissioners to send to the departments the officials who are employed here during the session, and in that way they are kept busy a great part of the time.

Mr. GRAHAM: That is good.

Post Office—outside service, $16,677,355.25.

Mr. CARROLL: I want to call the attention of the minister to the mail service between the city of Sydney and the town of New Waterford. The city of Sydney is the terminus of the Intercolonial, and the town of New Waterford is about seventeen miles distant. New Waterford has a population of 7,500 or 8,000, and the mail is carried

from the city of Sydney to New Waterford by stage coach along the shore, arriving at New Waterford at twelve o'clock and leaving New Waterford again at one o'clock or half-past one. It has been suggested to me that I should bring to the attention of the department the fact that it would be more convenient for the business public of New Waterford if the mail came over the Sydney Louisburg railway in the morning, when it would reach the town of New Waterford at nine o'clock. The outgoing mail might go over the same route, the train leaving about four o'clock in the afternoon, and thus the business community of New Waterford would have an opportunity of replying to the letters on the same day. I commend this strongly to the minister. I want to point out that the mails between Glace Bay and the other mining districts are taken in the evening or morning over the electric tramway, and it would meet the wishes of the large community living in New Waterford if the mail could be carried across the steam railway known as the Sydney and Louisburg railway.

I wish also to bring to the attention of the Postmaster General the fact that the post office facilities in New Waterford are not what they should be. It is a town which has sprung up in a very short time so that perhaps the matter has not been brought to the attention of the department before, but the post office there is absolutely too small and too cramped to accommodate that growing community. This perhaps is a matter for the Department of Public Works, and I brought it to the attention of the minister last year. There certainly should be a commodious public building in New Waterford to enable the people there to transact their postal business.

Mr. CASGRAIN: What is the population of New Waterford?

Mr. CARROLL: Eight thousand, I think. In the last census it does not appear at all, because it is a mining town that has sprung up since 1910. The postmaster, against whom I have nothing to say, whom I do not know at all, runs a grocery and general store, and the post office is in the store. It is perhaps the best building he can get and it is not his fault; but I do wish that the Postmaster General would ask his inspector to visit that locality and make a report.

He certainly will see for himself that it is not a suitable place for a post office. I am not urging this for any political reason whatever. The gentleman who wrote me concerning this matter will not vote for me if I happen to be put up again for election. The same is true with reference to the mayor. I hope the Postmaster General will take into consideration the matters which I have brought to his attention.

Mr. CASGRAIN: The two matters which have been brought to my attention by the hon. member for South Cape Breton (Mr. Carroll) are certainly important from the point of view of the two towns of which he has spoken. The first question to which he alluded was the service between North Sydney and New Waterford. I shall have that matter looked into. If we can accommodate the people of those two places, especially New Waterford, we will do so.

As to the post office at New Waterford which my hon. friend says will be too small for the efficient carrying on of the business of that town, we shall have the inspector go there as soon as possible and inspect the premises, and if the circumstances of the case warrant it and the premises are really too small, we will send a very strong recommendation to the Department of Public Works to have the post office put somewhere else.

Mr. LAW: I would like to call the attention of the Postmaster General to the post office at Yarmouth. For several years the accommodation at that post office has been very inadequate. There are times when the mail comes in at night, when many of the patrons of the post office have to stand outside on the sidewalk, because there is not room inside. The town of Yarmouth is one of the most important towns in western Nova Scotia, having a population of about 7,000. The old Government, through my strong representations, purchased a building immediately south of the present building; but the present Government, I am sorry to say, has not made any use of that building whatever, not even renting it, which could have been done, if the Government did not propose to use it. It is quite a large building and could very easily have been converted into suitable quarters for the post office at Yarmouth. I am informed by the postmaster that at the present time there are not boxes enough to accommodate the public. If he had a larger number of boxes than he has at present, he could utilize them all. The inside staff of the post office have not proper facilities for opening the mail and for carrying on the business of the office.

The Postmaster General, of course, has just recently taken office; but I have brought this matter up for several years and, I regret, without avail. I sincerely trust that the new Postmaster General will signalize his entry into office by giving the people of Yarmouth better post office accommodation than they have at present. As the hon. member for South Cape Breton (Mr. Carroll) has said, there is no politics in connection with this matter. People should have proper post office facilities, no matter what Government is in power. That building is there, paid for and owned by the department, and it has not been used for anything but has been lying idle for three years. It is the duty of the Postmaster General, together with the Minister of Public Works, to see that the post office facilities at Yarmouth are enlarged so as to give the people of Yarmouth the postal facilities to which they are entitled.

5 p.m.

Mr. CASGRAIN: I thank the hon. member for his remarks. The matter to which he has referred will be looked into.

Mr. PUGSLEY: I was sorry to hear the Postmaster General say, in answer to my hon. friend the member for South Cape Breton (Mr. Carroll), that he would have an inspection made of the post office facilities at New Waterford, and that if they were not what they ought to be, he would at once place the matter before the Department of Public Works. I do not for a moment want it understood that I am opposed to giving further postal facilities to the town to which my hon. friend has referred; but the course indicated by my hon. friend the Postmaster General is one which has led to great evils which have occurred during the last three years especially, and also which occurred while I was Minister of Public Works. There is too strong a disposition on the part of the post office authorities to unload all those matters of increased postal accommodation upon the Department of Public Works. In some few cases while I was minister, I succeeded in making an arrangement under which better postal accommodation could be given to important towns without the necessity of erecting new buildings. In a case where a postmaster could not give sufficient accommodation, we allowed him a reasonable amount for renting a building, say a large flat in a building, which could easily be obtained in most of the small towns of Canada, and by means of which ample accommodation could be given for years to come. The difficulty is that the Post Office Department will not allow anything at all to the postmasters that will enable them to give reasonable accommodation to the public. The only alternative is to go to the Public Works Department and to have a new and expensive building erected, which involves heating and a caretaker, and depreciation and an enormous expenditure, as compared with the small expense which would be necessary if the Postmaster General were to arrange with the different postmasters throughout the country to give them some small additional rent so as to enable them to provide additional accommodation.

This is what the result has been in the last three years. I want to call the attention of this Government to it, because I think it is deplorable. During the last three years, when the late Government was in power, the total expenditure on public works was $37,078,067.58. This is expenditure on both income and capital accounts. It is made up as follows: 1909-10, $11,342,365.29; 1910-11, $11,807,035.42; 1911-12, $13,928,666.87. That includes the year 1911-12, for which the late Government is, of course, quite prepared to take the responsibility, it having had seven months of that year in the administration of affairs. Take the last three years and see the enormous increase in expenditure in the Department of Public Works: 1912-13, $18,844,223.90; 1913-14, $27,991,336.94; estimate for the present fiscal year, 1914-15, $39,853,598.43; total, $86,689,159.27. A very large part of that increased expenditure has been caused by the erection of new public buildings for post office accommodation in various parts of Canada. I am satisfied that, if an intelligent effort were made, ample postal accommodation could be given, particularly in those smaller towns throughout the country, and that millions of dollars could be saved.

Mr. W. H. BENNETT: How much of those amounts is referable to public buildings in the last three years?

Mr. PUGSLEY: I cannot tell my hon. friend the exact amount. He will find in the report of the Minister of Public Works that in one year there was an increase of $7,000,000, which the accountant said was largely accounted for by an increase in the number of public buildings.

Mr. HUGH CLARK: Would the hon. gentleman give us some idea of how much of that was promised by the late Administration?

Mr. PUGSLEY: The hon. gentleman can find that out by looking at the Estimates.

Mr. CLARK: The hon. gentleman was Minister of Public Works at the time.

Mr. PUGSLEY: I do not believe that fifteen per cent of it was promised by the late Administration.

Some hon. MEMBERS: Oh, oh!

Mr. PUGSLEY: I doubt if ten per cent of it was so promised. If the hon. gentleman will look at the Estimates he will see that in the year 1911-12, when I was Minister of Public Works, the total Estimates on both income and capital account of the Public Works Department were only about $18,000,000, whereas in 1913-14, that famous year when the closure was applied and the Opposition was gagged, bound and manacled, the Minister of Public Works actually came down to this House with Estimates for $47,000,000—some $3,000,000 more than the total revenues of Canada when the Liberal party came into power in 1896. I do not intend to make a speech upon this, or use it for a party purpose at this time; but I do invite the earnest and careful consideration of the Postmaster General to this matter. I do believe that in hundreds, if not thousands, of small towns throughout Canada, by making a little additional allowance to postmasters, they will be able to give suitable accommodation by renting portions of buildings now being put up by private parties or banks, thus saving millions of dollars to the public.

Mr. PROULX: I endorse the suggestion of the hon. member for St. John City (Mr. Pugsley). In 1908, instead of asking for a public building in my town, I asked the Post Office Department for an increased allowance for rent, fuel and light for the postmaster. I could not obtain it. But I easily convinced by hon. friend from St. John City, who was Minister of Public Works, of the soundness of my proposition, and obtained an allowance of $125 from the Public Works Department. With this allowance I provided accommodation which is just as suitable and just as ample as could be afforded by a public building.

Mr. EDWARDS: In what town is that?

Mr. PROULX: L'Orignal.

Mr. EDWARDS: What is the population?

Mr. PROULX: It was 1,327 by the last census.

Mr. EDWARDS: What is the revenue?

Mr. PROULX: I do not know exactly, but it is enough to afford the postmaster about $800. His allowance for rent, fuel and light was $75. Now he gets in addition $125 from the Public Works Department, which makes $200. With this he pays his rent for post office accommodation and also for his residence which is in the same building. A gentleman in my town built a block for the bank and post office and the accommodation afforded, as I have said is just as good as if we had a public building, and it costs the Government only $125 a year over the former allowance.

Mr. W. H. BENNETT: That shows how remiss the hon. member for Prescott (Mr. Proulx) was in looking after the interests of his constituents. He speaks of a town with a population of 1,300 and without a public building. Fancy the hon. member sitting idly in his place and seeing the then Minister of Public Works erecting buildings in villages in Ontario with only seven hundred of a population.

Mr. PUGSLEY: What town does the hon. gentleman refer to?

Mr. BENNETT: Not a town at all; the village of Milverton, of unhappy memory for the hon. gentleman (Mr. Pugsley).

Mr. PUGSLEY: A very nice little town.

Mr. PROULX: My hon. friend (Mr. Bennett) is still more remiss, because he has allowed the Minister of Public Works whom he supports to put up a public building in Hampton, N.B., which has a smaller population than the place to which he has just referred.

Mr. BUCHANAN: I want to discuss a dismissal.

Some hon. MEMBERS: Oh, oh.

Mr. BUCHANAN: I do not wonder that hon. members laugh, because this is the first time I have had to discuss a dismissal in this House. But this was so serious, so glaring, so completely without any reason whatever, that I believe it should be brought to the attention of this committee. Since I was elected to represent the constituency of Medicine Hat and during the time the patronage was handled by my opponent and by another gentleman in whose hands he

placed it, I had no reason to complain of dismissals until this moment. There were practically none until six or eight months ago, when the patronage passed into the hands of some gentlemen who were bound to get rid of every Liberal office holder in the city of Lethbridge, and they have practically succeeded. I do not place the responsibility on the present Postmaster General; he was not the occupant of the office when this dismissal took place. From 1885 until last October, Mr. E. N. Higinbotham was in the postal service in Lethbridge. He became connected with it when the office was first established in that city. He was appointed postmaster in 1906, and had filled that position to the satisfaction of all classes of the community. On the 13th of October, he received this curt notice from the post office inspector at Calgary.

I am directed to inform you that Mr. Alvin Ripley has been appointed to succeed you in the postmastership at Lethbridge and that it is proposed to transfer the office to his charge as soon as the necessary preliminaries can be arranged.

This was the only notice that Mr. Higinbotham received. No reasons were given for the change. There was indignation throughout the city of Lethbridge when the announcment was made. That feeling was not confined to Liberals but was just as strong among the Conservatives of that city apart from the patronage committee. A petition was circulated, not among the people generally, but among the Conservatives in the city of Lethbridge. It was addressed to the Postmaster General. Every person who signed that petition was a supporter of the Conservative party in 1911, and so far as I know is still a supporter of that party. They addressed to the Government the following petition, which I wish to read to show you that Mr. Higinbotham held the esteem and respect of the Conservatives of Lethbridge, that his services as postmaster were satisfactory to the people, and that there were no charges that could be preferred against him as a partisan or as an inefficient official. The petition reads as follows:

Lethbridge, Alta., Oct. 19, 1914.

The undersigned, who have no hesitancy in declaring that they are supporters of the Government at Ottawa, desire to bring to your attention the proposed removal of Mr. E. N. Higinbotham from the position of postmaster at Lethbridge.

We believe that there should be no change in the postmaster. Mr. Higinbotham has given satisfactory service, and we can learn of no complaint whatever from the public. As a matter of fact, no charge has been made against Mr .Higinbotham, who has simply been notified a successor has been appointed. During the time he has been postmaster, we do not know of any offensive political conduct on his part. He has been a courteous, painstaking official, giving the duties of postmaster his undivided attention. We feel that it is a grave mistake to remove him from the posititon under these circumstances. We are only too willing to suggest that an investigation should be held, because we feel that an inquiry would establish there was no warrant whatever for the action which it is proposed to take in the case of Mr. Higinbotham.

We are bringing this matter to your attention, as we feel that in cases of this kind it has been your policy to refrain from removing from office men who have conducted themselves properly.

This petition was signed by about sixty supporters of the Conservative party and was taken to Ottawa by two Conservatives. They made the trip from Lethbridge to Ottawa to present the case to the Government, and came back with some hope that Mr. Higinbotham would retain his position. But after a month of the first notice the office was transferred to the new postmaster. You will observe that in the petition a request was made for an investigation, and I think it had been announced as the policy of this Government that investigations would be granted in cases of this kind. But no investigation was granted in this case. No opportunity was given to Mr. Higinbotham to establish that he had given efficient service and that he had not been a partisan in any way. Let me say that the only other two dismissals of postmasters that I know of in the constituency of Medicine Hat were the dismissal of the postmaster at Grassy Lake, a small place of probably 100 or 200 inhabitants, and the dismissal at Magrath, a place of 900 or 1,000. In these instances the postmasters were given an investigation, and were removed only after an investigation had been held. But in the city of Lethbridge, where a gentleman held a position in the service from 1885 until 1914, no investigation was granted; no charges were preferred against him and the Conservatives of the city of Lethbridge protested against the change and sent a deputation to Ottawa to register their protest. I say that there is no excuse for this dismissal. I asked the Postmaster General for the reasons of the removal of Mr. Higinbotham and my question was answered in the House on March 8. I asked:

1. What was the reason for the dismissal of Edward N. Higinbotham, as postmaster at Lethbridge, Alberta?
2. Was an investigation asked for?
3. Was an investigation held?
4. If so, what was the result of the investigation?

To this the Postmaster General (Mr. Casgrain) replied:

1. On the 23rd September, 1914, the departmental officers were instructed by the Postmaster General that as soon as the Lethbridge public building was ready for occupation it was the intention to appoint a new postmaster, and the superintendent was requested to keep in touch with the progress made, and as soon as it was ready for the department to take possession to inform the Postmaster General so that the change could be made without delay. This was done in accordance with instructions, and the Post Office Inspector, on the 9th October, was instructed to make the change.

2. In a petition in favour of the late postmaster, which was received at the department in November last, it was suggested that an investigation should be made, but the appointment to the postmastership and the transfer of the post office to the new incumbent had already been made.

3. No.

4. See answer to No. 3.

The argument here is that when the Government build a new post office the new post office must be equipped with a new postmaster, provided that the old postmaster is of Liberal politics. I am sure the present Postmaster General is not going to carry out a policy of that kind. Mr. Higinbotham was an able official, a man who had been commended by his superiors; and he was succeeded, not by a gentleman who had had experience in the postal service, but by a gentleman who was managing a retail business in the city of Lethbridge, who knew no more about directing a post office than a child. Another statement made in reply to my question was that an investigation was not granted because the appointment to the postmastership and the transfer of the post office to the new incumbent had already been made. I say that that is not the case, and the facts do not bear that statement out. The transfer had not been made when the request came from the Conservatives of Lethbridge that this removal should not take place. The transfer did not take place until November 23. The new post office was unoccupied and Mr. Ripley did not become postmaster until November 23; and this deputation came to Ottawa during October and asked that Mr. Higinbotham should be retained in office. I understand that the deputation received some encouragement when at Ottawa, that some members of this Government were very much shocked to know that action of this kind had been taken when there was no warrant for it. I understand that very strong expressions were used by some members of the Government. There was a delay in the transfer of the office from the old postmaster to the new postmaster and the new post office was not occupied for over a month from the time the notice come to Mr. Higinbotham that Mr. Ripley was to succeed him as postmaster. I am dealing with this case at some length because in my particular section of the country it has aroused a good deal of feeling and resentment, not amongst Liberals alone, but amongst all classes of people except those who think the spoils system should be generally adopted. I have here a resolution passed by the Presbytery of Macleod, a church organization which is interested simply in the welfare of the country and of our public service. I read it to you to establish that this particular dismissal aroused a great deal of feeling amongst the people of southern Alberta. Their petition reads:

The Presbytery of Macleod beg respectfully to call the attention of the Right Honourable, the Premier of Canada, to the following:

1. That there are clear evidences in certain governmental quarters of an attempt to perpetuate the system of distributing political offices among party supporters, which is antiquated, discredited, and hurtful alike to national loyalty and national effciency.

2. That on the occasion of his last visit to Lethbridge, Sir Robert L. Borden laid down in public the principle that no civil servant should be dismissed unless on good grounds and after fair investigation.

3. That in spite of this declaration, Mr. E. N. Higinbotham, of Lethbridge, has received notice of his summary dismissal from the postmastership of that city, without reason or excuse being given.

4. That Mr. Higinbotham is one of the best known and most highly respected citizens in southern Alberta, being one of the pioneers of Lethbridge.

Further that he has been in the service of the Post Office Department almost continuously since the year 1885, filling the position of postmaster for the past eight years.

Further that during all that time he has given most efficient and satisfactory service and commands the confidence of the entire public as well as the loyalty and devotion of his staff.

And further that he has not participated in politics since his appointment to office.

5. Further that in view of these things this Presbytery do emphatically protest in the name of justice and of good government against this flagrant procedure, and request that the Premier give some explanation of this action and will take such steps as will rectify this wrong.

In so protesting the Presbytery assures the Premier that they are voicing a sentiment which prevails very widely throughout the Lethbridge district.

I have read that resolution merely to show that there was a strong feeling throughout the district over this dismissal, which it

was felt was not warranted. I have tried to establish here to-day, that Mr. Higinbotham was removed without any reason being given, that an investigation was asked for by sixty-five or more petitioners who felt that he should be allowed to retain the office, that this investigation was refused, and that the transfer did not take place for nearly a month after that investigation was asked for, so that there was plenty of time to have held an investigation. Mr. Higinbotham is a type of official that any government should be proud to have in its service. He gives full attention to his office, and has, during the whole period he has been in the postal service at Lethbridge, had the reputation of giving the public an excellent service, and courteous treatment. I do not think that the department had one complaint to make between 1885 to 1914 about the administration of the post office at Lethbridge. I consider this dismissal as one of the most cold-blooded that has taken place since this Government came into power in 1911. There was absolutely no warrant for it whatever, and when the simple request for an investigation was made by their own friends, this Government refused to grant an investigation. The statements made in that petition and in the resolution are all non-partisan; they are not made by Liberals protesting against the dismissal of of a Liberal, but by Conservatives or by a representative body like the Presbyterian organization for southern Alberta. I claim that no defence can be offered for this dismissal; and it certainly is no encouragement to the men who enter the postal service to feel that, after they have served the public for as many years as Mr. Higinbotham did, and have given good service and kept out of party politics, they will be bound to lose their positions in the end because a few Conservatives want the offices for friends of their own.

Mr. EDWARDS: I understand that my hon. friend came into the House in 1911, and it is therefore just possible that he may not be as familiar as some of us with the tactics pursued previous to 1911 by the party which he supports. The hon. gentleman has referred to this as a case without any precedent, and I dare say he is quite sincere in that statement. But I should like to call another case to his attention, which I brought up in the House between 1908 and 1911, I cannot recollect the exact year. It was the case of the dismissal of the postmaster at Souris, Manitoba, in the constituency which was then represented by Sir Clifford Sifton. By the way, I may say that they built a new post office in Souris and placed a new postmaster there, and dismissed the man who had been postmaster in Souris ever since the first letter and newspaper came into that village—it was a village then, but it has since been incorporated as a town. The dismissed postmaster was John Dolmage, who was one of the first settlers in that part of the West; his was the first house erected in the village; he had lived there for years with his family, and had taken an active interest in municipal affairs and in the general affairs of the community; he was highly respected by all, and in the very year that he was dismissed by the Liberal Government without one particle of reason being given, he was chosen by acclamation to be mayor of Souris. That shows the esteem in which he was held. I brought this case to the then Postmaster General, the Hon. Mr. Lemieux, and what reason did he give for this dismissal? I will not attempt to quote his exact words, though they can easily be found on Hansard, but the substance of his reason was that he had been asked to dismiss John Dolmage by the member for that constituency, Sir Clifford Sifton, and in his estimation that was a sufficient reason for the dismissal. And that was the only reason he gave. There was absolutely no investigation whatever. When the new post office was completed they put in the new man, and dismissed John Dolmage, who had been postmaster for Souris ever since the first house was erected in that village; and dismissed him summarily without any investigation, and without a shadow of reason being given except that Sir Clifford Sifton asked that it be done.

Mr. MICHAEL CLARK: I just wish to say a sentence or two in reply to the hon. member for Frontenac (Mr. Edwards), and while I am on my feet I should like to say that I know Mr. Higinbotham, and I can say that everything that my hon. friend (Mr. Buchanan) has said of him as a gentleman well worthy of filling any office is absolutely true according to my own knowledge. I want to point out to my hon. friend from Frontenac that perhaps it is not well to be too severe on the former Postmaster General because he followed what is the method pretty generally followed by ministers of departments in regard to this iniquitous system of patronage, of which many of us on both sides of the

House are tired. We should not be too severe on the former Postmaster General in this case, because he failed to detect that Sir Clifford Sifton was properly a very bad case, largely because he was gravitating towards a camp where that sort of thing has evidently been done up to the present time.

Mr. CASGRAIN: I should like to say a few words in answer to the remarks of the hon. member for St. John (Mr. Pugsley) in regard to post offices and post office accommodation. Of course, the committee knows that there are two kinds of postmasters: in some parts of the country postmasters have to furnish their own premises; and in others post office buildings are furnished by the Government. When a member of this House says from his seat in Parliament that the accommodation in his city or town is inadequate, or that inefficient service is being given, I think it is my duty to have the matter investigated, and to send down an inspector of the department to see whether or not there is room for improvement; and if the city or town in which the post office is situated is one in which the Government has built or should build a post office, under the rules which have been followed for a long while by both parties, it seems to me that if the necessity for it is shown to exist, I shall be justified in trying to impress on my colleague the Minister of Public Works the necessity of erecting a suitable building there for a post office. On the other hand, if this is a town in which the accommodation is furnished by the postmaster himself, the inspector of post offices will be able to inform me whether the premises are sufficient, or whether I should call upon the postmaster to furnish better accommodation.

I now come to the case which has been presented with great moderation by the hon. member for Medicine Hat (Mr. Buchanan). The facts are these. When I came into the department Mr. Higinbotham had been dismissed and replaced. It occurred, I believe, on the 13th October. I was not sworn in on that date. My hon. friend was kind enough to say that he does not place on my shoulders personally the responsibility for having removed Mr. Higinbotham. I believe that everything my hon. friend has said about Mr. Higinbotham is true and that he was an efficient officer. It is only fair and just to him that I should make that statement to the committee. The reason for Mr. Higinbotham's removal from office is a reason which was given as a good and sufficient reason in times gone by before this Administration came into power. It is that when a post office is removed from an old building to a new one the incumbent of the office is changed. Of course, as my hon. friend says, I am not personally responsible for the removal of Mr. Higinbotham or for the appointment of his successor. Constitutionally, I am obliged to take the responsibility for the removal. I do not know whether my hon. friend is quite correct when he says that an investigation was asked for before the facts as stated had been accomplished. There seems to be some difference of opinion between my hon. friend and myself as to the date of the removal of the postmaster. According to the information which I have, the postmaster was removed and replaced on the 13th October. When this deputation came to Ottawa the postmaster had been removed and his successor had been appointed. The only reason for his removal, as far as I can ascertain, was the change in the public building. There was no necessity for an investigation. I do not for one moment want to say that I am not constitutionally responsible for this removal, but the deputation came at a time when I was absent, because I had to be elected to this House. As far as I am concerned, the rule laid down by the right hon. the leader of the Government will be followed by me, that no officer in my department will be removed unless there is a good and sufficient cause for his removal, and unless an investigation is held which will prove that such a cause exists.

Mr. BUCHANAN: I am not holding the present Postmaster General responsible, but I do hold the Government responsible, because the facts of this case were presented to the members of the Government, and the policy of the Government has been announced in times past. It has been announced by the Prime Minister that good and sufficient reasons must be offered before an official shall be removed. In this particular case there were no reasons of any kind, but this gentleman was removed in the face of the fact that prominent and influential Conservatives in the city of Lethbridge believed that the removal of Mr. Higinbotham was such a discredit to the Government that they sent a deputation down here to Ottawa to wait upon the Government and protest against it. They came here on October 13, and interviewed the Government, and it was not until November 23 that the change

took place. During the interval between October 13 and November 23 the investigation could have been held if the Government had been willing. At the opening of the House this session I moved for the production of papers in connection with the removal of Mr. Higinbotham. No papers have been produced. As I understand it, there are no papers in existence. The dismissal simply took place through the direction of the late Postmaster General to some official that when the Lethbridge post office was ready a new postmaster should be put in charge. That is what I understand from the information given to members of the deputation who visited Ottawa to ask that an investigation should be held. I claim that the Government is responsible for the dismissal and that its attitude in regard to this matter is an entire contradiction of the announcement of the Prime Minister in regard to the policy of the Government, which is that good and sufficient reasons must be offered before an official is dismissed. The statement has been made also that where a member, or members, supporting the Government on the other side of the House ask for a dismissal it will be made. But no member asked for the dismissal of this gentleman, it was not asked for by the defeated candidate, it was simply asked for by the head of the Conservative organization in Lethbridge, and it was granted. The leading and most influential Conservatives in Lethbridge protested against this dismissal, which is an entire and direct contradiction of the policy of the Government as frequently announced by the Prime Minister.

Mr. McCREA: I am not rising to complain of any dismissals in my locality, but I want to lay some facts before the Postmaster General, and perhaps when he hears them he will decide that he should make some dismissals. Some little time ago I asked a question in the House. I did not get an altogether satisfactory answer, and I want to get an explanation now. On the 18th March I asked the following question:

1. How many days' actual service has A. Genest, an employee in the Post Office Department at Sherbrooke, given to said position from April 1, 1912 up to present date?

The answer is as follows:

From the 1st April, 1912, to 15th March, 1915, the records show that Mr. Genest reported for duty 481 days.

I did not ask how many days Mr. Genest reported for duty; I asked how many days of actual service he had given in his capacity as an employee of the Post Office Department. I further asked:

What is the total amount of salary paid to him for his services during the said period?

And the answer is:

The total amount of salary paid for his services to the 28th February, was $3,973.31.

If my information is correct, Mr. Genest's actual services, if any, were very limited. I understand his reporting for duty consists of going to the post office, the same as any of the other citizens, to get his mail and while there dropping into the post office department. That may be counted reporting for service, but that is not actual service. I would like to get an answer to my question. How many days' actual service has he given to the position since April 1, 1912, to date? If my information is correct, Mr. Genest, who is supposed to be in delicate health, is an insurance agent and is doing business as such. If he is able to act as an insurance agent he should be able to do his duty as an official in the post office or resign. He should not hold two positions, because there are other men who are earning their living in the insurance business. It is not fair for a man to be in the service of the people and to receive a salary as such, and at the same time be acting as an insurance agent and getting a revenue from that source too. That is my information, but I do not know whether it is correct or not. There is one thing that I do know, and that is that the Government have established a post office inspection bureau in Sherbrooke, and I think it ought to be easy for this bureau to find out whether this information is correct or not. If correct, the case should be dealt with. I am not asking for the dismissal of Mr. Genest, but I do not think any man in the public service should hold two positions. If it is true that he is acting as an insurance agent he should resign. If he is in delicate health and is not able to do any other work, I do not ask for his dismissal.

An hon. MEMBER: How long has he held the job.

Mr. McCREA: For a good many years.

Mr. CASGRAIN: I see by the record that Mr. Genest is an old employee of the Post Office Department, having been appointed in 1893 and made permanent in 1895. This is the first intimation I have had that Mr. Genest was an insurance agent. My information was that Mr. Genest was in deli-

cate health but that there is hope of his recovery. I would ask my hon. friend (Mr. McCrea) if it would be fair that I should treat this old employee harshly by dismissal rather than allow him to go along for the present, without perhaps doing as much work as the other employees, so that he might recover his health and go back to the duties of his office. I leave that to the good heart and good feeling of my hon. friend. If Mr. Genest is an insurance agent and has been carrying on business as such, that would seem to be evidence that his illness was not as we were told, and of course such a state of things would have to be put an end to.

Mr. McCREA: I have not asked for Mr. Genest's dismissal and neither have I said that I have positive proof that he was acting as an insurance agent. I said that was my information, and I am asking the Postmaster General to investigate the matter.

Mr. CASGRAIN: I certainly shall.

Mr. McCREA: My information is that Mr. Genest's health has been so recovered for some time that he has been able to act as an insurance agent and is receiving a revenue from that source. I am not asking for his dismissal, but I do say that if he is capable of acting as an insurance agent and derives revenue therefrom, he should confine himself to the work for which this Government is paying him.

Mr. CASGRAIN: I think you are perfectly right.

Mr. SCHAFFNER: I wish to cite an instance which has occurred in my constituency and which is somewhat similar to that mentioned by my hon. friend from Medicine Hat (Mr. Buchanan), but very much worse I believe. Of course, the tu quoque argument is an old argument, and I do not say it is a good argument, nor do I say it is a bad argument, but it has the merit at all events of being often used. My hon. friend from Frontenac (Mr. Edwards) referred to a case which occurred in the town of Souris, which is not in my constituency, and he attributed it to the influence of Sir Clifford Sifton. At one time my constituency was part of Sir Clifford Sifton's constituency, and when the Liberals came into power he simply turned out all the postmasters in that district. I have about sixty-five postmasters in the constituency, and I can say that only five out of the sixty-five have been changed since 1911.

The case to which I wish to draw the attention of the House is this: Mr. Alexander McKnight was postmaster in the town of Boissevain since the very day of its inception. He was not only postmaster, but he built at his own expense on the main street of the town and in the centre of that street a splendid stone building, the lower flat of which was entirely given up to the post office, and he fitted it up with the very best furniture for that purpose. We then had a post office that certainly was a credit to any town of the size of Boissevain. Mr. McKnight was absolutely non-partisan. I could challenge any man in the town or in the constituency to state that they ever even heard Mr. McKnight mention politics. In fact, he used to annoy me considerably, on account of the trouble I had with him, because he would not even vote for a school trustee or in the municipal election. He absolutely kept his hands clean—perhaps I should use the word clear—of all politics in every sense of the term. He was a man in whom the people of the town had the utmost confidence; no more highly-respected citizen ever lived. Well, what occurred? In 1908 or previous to that Mr. McKnight received one afternoon notice that he would have two days to get out of the office and make room for his successor. Then occurred, somewhat similar to what occurred at Lethbridge. The leading Liberal citizens, including among them the man who represented Turtle Mountain constituency and two defeated Liberal candidates, protested against the removal of Mr. McKnight from that post office. They went so far as to do exactly what my hon. friend said they did in the case of Lethbridge, and they sent a deputation to Ottawa, but it was of no avail. I remember a statement made by my partner particularly, who is a good Liberal and none the worse for that, and he said: there is no danger of Mr. McKnight being turned out; the Liberal party does not do things that way. In due time Mr. McKnight was turned out, and the Liberals held a meeting and raised money and made Mr. McKnight a splendid presentation, and every leading Liberal in that district, or so many as could get into my house where the presentation was made, made the statement that it was the last time they would ever vote for Sifton. Most of the hon. gentlemen present are old enough politicians to know that this is a promise that is very quickly forgotten. However, I want to put the facts of his case on record. I do not

know that anything so harsh as the treatment of Mr. McKnight ever before occurred in Canada. In view of what occurred then, I will go so far as to say that my experience up to the present in my own constituency in connection with this Government is that they are entirely too sensitive about changing postmasters or any other Liberal officials.

Mr. PUGSLEY: I think the Postmaster General has elaborated somewhat and explained what was rather deficient in his previous statement. I understood him to say he would not take any steps to have the post office accommodation improved under the administration of the Post Office Department, but that he would rather look to the Department of Public Works for that. His last remarks on the subject seem rather to indicate that if in the town referred to he found, after consultation with the Deputy Postmaster General, that increased accommodation should be given, he would see that that increased accommodation is afforded. That is where the difficulty is as between the Post Office Department and the Department of Public Works, and it is that difficulty which causes large expense in the Department of Public Works. When I was Minister of Public Works it was the same as I suppose it is now: the Post Office Department wants to have as large a net revenue as possible, and it refuses to make any sufficient allowances to postmasters to enable them to give increased accommodation, and so it gets the Public Works Department to erect buildings. The salaries paid the postmasters are small, and so the postmasters only go to as little expense for rental as they can manage to get along with. My point is, that instead of encouraging or insisting upon the Department of Public Works erecting new buildings, which entail all the expense of caretaking and heating and depreciation, if the Post Office Department would allow one hundred dollars, or a hundred and fifty dollars, or two hundred dollars a year, or a little more in special cases, there would be secured that increased accommodation which for a good many years would be entirely satisfactory to the people of the community.

That is what I want to impress upon my hon. friend the Postmaster General. Let him not look entirely to having a surplus revenue in the Post Office Department, but let him look to the accommodation of the public. I hope my hon. friend will be more successful than I was at times in urging the Postmaster General to do this very thing. I thought that in many cases if he would allow the postmasters a small additional amount so as to enable them to secure additional accommodation, the public would be thoroughly satisfied, and the country in the aggregate, because the country is large, and there are so many thousands of post offices, would save millions of dollars.

Mr. CASGRAIN: I am very much obliged to my hon. friend for his advice. I will try to follow it; and if my hon. friend comes back to the Treasury benches, if he is not very old then, I hope he will put into practice what he is preaching now.

Mr. PUGSLEY: It is very good advice.

Mr. McCRANEY: Will the minister make a statement as to the continuation of the franking privilege to the Aberdeen Association? Some years ago, under the auspices of Lady Aberdeen, an association was formed in the city of Ottawa, with branches throughout the West, to distribute literature amongst the settlers in the remote parts of Canada. The franking privilege was given to that association. Volumes of literature were donated to the association, and the ladies at the different centres in the West attended to the distribution of it. From my knowledge of the association, its work in distributing that literature is a very worthy one. At the end of last year the ladies in Saskatoon were informed that the franking privilege would be withdrawn; and as they had a great quantity of literature on hand, they asked me about the matter. I wired to the Post Office Department asking if this were the case and for all information. From that day to this I have not had any response to my wire except an acknowledgment of its receipt. I am told that later the ladies had word from one of their branches in Canada that the franking privilege would be done away with on the first of February of this year. I understand that is not the case. At any rate, as the matter is so uncertain and as the Post Office Department has given no information, the ladies of Saskatoon have disbanded their association because they cannot undertake the distribution of the quantity of literature that they have on hand and pay the postage on it.

Mr. CASGRAIN: I have heard of this association before, and I know that it is a most excellent one and one which does very good work. The work done by this associa-

tion consists in this, that the members of the association collect literature from all parts of the country and distribute it in the remote parts of Canada, where libraries do not exist and where it is difficult to obtain literature. For some time this literature has been distributed through the mails gratis. This was easier to do and not so expensive before the change came as to the carrying of the mails by railway. Before I get through with my Estimates, I will explain to the House how it is that now we pay much more for carrying the mails by rail than we used to do. The mail matter has increased enormously; and if we were to give the franking privilege of the mails to all the deserving institutions, not only would our revenue decrease very rapidly, but we would have such an enormous mail to carry that it would cost us tremendous sums of money to carry it. I received the communication to which my hon. friend alluded, and I received some deputations of ladies and gentlemen who impressed upon me the desirability of renewing the franking privilege. On the one hand I must say that, after hearing the gentleman, and especially the ladies who addressed me, I would have wished to be able to assure them that I would continue giving them the franking privilege; but, on the other hand, the committee will understand that I have a duty to perform, and that, whatever may be my feelings upon the subject and whatever may be the very good aims that those charitable associations may have in view, I have to protect the revenues of the post office, and I am not able to say yet whether or not it will be possible for me to continue giving the Aberdeen Association, however deserving it may be, the franking privilege. A certain period has been fixed by agreement between me and certain persons who have interviewed me upon the subject.

Mr. McCRANEY: The minister said that some time he would be able to make some definite announcement. The work of the association has been paralyzed by the indefiniteness of the matter.

Mr. CASGRAIN: A very important deputation from Toronto waited upon me upon this subject, and I gave it the answer that my hon. friend is asking for now, and I will communicate to him later.

Mr. PUGSLEY: Will the minister be good enough to give us a statement of what persons enjoy the franking privilege now?

Mr. CASGRAIN: I will have a statement made and will lay it on the table.

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

The House resumed at eight o'clock.

PRIVATE BILLS.

AMENDMENTS BY THE SENATE.

Mr. LANCASTER moved:

That the amendment made by the Senate to Bill No. 36, to incorporate Northern Pacific and British Columbia Railway Company—Mr. Taylor—be referred to Select Standing Committee on Railways, Canals and Telegraph Lines.

He said: This is a peculiarly worded amendment, and I think it should be scanned by the committee before the House concurs in it.

Motion agreed to.

Mr. LANCASTER moved:

That the amendment made by the Senate to Bill No. 46, respecting the Western Dominion Railway Company—Mr. R. B. Bennett—be concurred in.

He said: This does not materially change the Bill as we passed it. It is probably a matter of extreme caution on the part of their Honours of the Senate. They have specifically repealed a former time limit. I think our Bill repealed it by implication. However, it makes no actual change in the Bill.

Motion agreed to.

SECOND READING.

Bill No. 81, respecting the Edmonton, Dunvegan and British Columbia Railway Company.—Mr. Green.

SUPPLY.

The House resumed in Committee of Supply, Mr. Sevigny in the Chair.

Post Office—Outside service—Salaries and allowances, $7,538,711.75.

Mr. KYTE: Has the Postmaster General made any arrangements with the mail carriers for extra allowance on account of the parcel post they are obliged to convey?

Mr. CASGRAIN: No; the contract made between the mail carriers and the Post Office Department provides that nothing is allowed for extra mail matter which they carry, and until now we have not found any case in which we could grant an extra allowance. Some cases seem meritorious, and these we are investigating. The contract

provides that an allowance proportionate may be made to the mail carriers, if they are obliged, for instance, to use more horses or vehicles, or if they are put to some other extra expense. Up to the present time, there was only one case, I think, and that we are examining into it to see if we should grant any extra allowance.

Mr. KYTE: It appears that the inauguration of the parcel post system has resulted in application by the railways to the department for an extra allowance, I think, of nearly a million dollars. I presume the railways are carrying the mails under contract, as the couriers are; and as the department has given this extra amount to the railway companies—at least so I understand, though I may be misinformed—I would suggest that whatever treatment is accorded the railway companies in this matter should be extended to the mail couriers. I know of several instances where mail couriers have to carry a much greater bulk of mail matter than before the inauguration of the parcel post system. I have several cases in mind of couriers which would make out a good case for extra remuneration for their services. I discussed the matter with the former Postmaster General a year ago, and he said the post office inspectors would be asked to report on each case. Mail couriers in my county have asked for an extra allowance, but no investigation has yet taken place. It might be that the extra allowance in such cases would not be very great; but the fact that the couriers are under contract and technically obliged to do this extra work is no reason why their application should not receive consideration. Even if a courier is not obliged to buy an extra horse, yet he has an extra load to carry and the service is much more difficult to perform. At certain seasons the roads are bad and travelling difficult and the extra weight of mail matter carried by the couriers should be a ground for extra remuneration. The greater the amount of work the greater should be the extra compensation. I think there is scarcely a courier in the province of Nova Scotia who could not make out a case that he is performing extra work by reason of the parcel post system and that extra compensation should be given.

Mr. CASGRAIN: The question raised by the hon. gentleman is an important and interesting one. It has already occupied the attention of the department. The hon. gentleman will remember that a year and a half ago the rates to the railways were changed, and the railways obtain now a much larger allowance for hauling the mail than they did before. That is not altogether due to the parcel post system but to the fact that the mail matter generally has increased considerably. Before the time to which I have referred the railways were paid $132 per car per track mile; now, they receive 16 cents per mile for a postal car; 9 cents for cars half postal and half express, and 4 cents for a baggage car. This means a great increase in the expenditure of the department—about a million dollars. The railways have applied for additional remuneration because the weight of mail matter is increasing all the time, but they have not yet received it. The department has had several interviews with the railway officials, but we have come to no conclusion. If the mail matter becomes so voluminous that we have to increase the amount already given to the railway companies it will be only fair that any cases in which the mail couriers can justify their claims, these claims should be entertained by the department; and the hon. member and the committee may rest assured that every case will receive the most favourable consideration and that, consistent with the duty which I owe to the public, I shall see whether each case is one in which the allowance should be increased.

Mr. KYTE: I can point out a case in which the Postmaster General would be justified in granting an extra allowance to a mail courier, that is, the contract between Grandigue Ferry and West Arichat in my county. A steamship subsidized by the Federal and Provincial Governments plies between Mulgrave, the terminus of the Intercolonial railway at the strait of Canso, and the towns of West Arichat and Arichat. During the summer the mail is carried by the steamboat to these points, but in the fall, when the steamer does not make daily connections with the trains, the mails have to be carried by the courier from Grandigue Ferry to Arichat. Owing to the inauguration of the parcel post system the volume and weight of mail has increased very considerably. Some months ago the old contract lapsed and new tenders were called for. I asked a question which was answered a few days ago, the question and answer being as follows:

Mr. Kyte:

1. When did the contract expire for carrying the mails between Grandigue Ferry, Arichat and West Arichat, recently held by Joseph Parker?
2. Were tenders asked for in respect of this service during the year 1914?
3. If so, when were notices calling for tenders

posted, and what was the last date for receiving such tenders?

4. From whom were tenders received, and what is the amount of each?

5. (a) Who performed the service since the expiration of Parker's contract, (b) and what is the amount paid for same?

6. Why was not the contract awarded to the lowest tenderer?

7. What was the amount of Parker's contract?

8. When will the new contract be awarded?

Mr. Casgrain:

1. 31st December, 1914.

2 and 3. Tenders were invited twice. The first notices were dated 20th August, 1914, and tenders were due at the department on 2nd October, 1914. The second notices were dated 3rd November, 1914, and the tenders were due on 18th December, 1914.

4. The tenders in both cases were considered excessive, and the department has been endeavouring to obtain more reasonable offers. It is not considered advisable to give the names and amounts of the tenders until the new contract has been awarded and executed.

5. (a) Casie Parker, executrix of the late Joseph Parker, who was responsible for the service, under the former contract, from 1st April, 1913, to 31st December, 1914. (b) $3 per day.

6. Answered by No. 4.

7. $495 per annum.

8. As soon as a reasonable offer has been received.

After the notices calling for tenders had been posted, I understand some five or six tenders were sent into the Department. It is quite true that the lowest tender was considerably higher than the amount of the old contract, and I understand that is the ground upon which the Department refused to award the contract. The old contract was for $495, and had been running for a great many years. The parcel post system was inaugurated something over a year ago, and the courier complained to me several times that the bulk of mail had increased very considerably owing to the parcel post. He felt that he was, in all fairness, entitled to some additional remuneration. It is obvious that the service could not be properly performed now at the old rate, and, in view of the parcel post, the additional amount asked does not seem excessive; so there is no reasonable excuse for the department not executing the contract without further delay. The department are to-day having the service performed at a daily rate of $3, which would be in the neighbourhood of $1,000 a year; and I do not see how they can defend that rate of payment when they refuse to make a four-year contract for the carrying of this mail at a rate that would be a little less than $2 a day. I fear that the venom of party politics has not been completely eradicated from the Post Office Department, notwithstanding that it is in charge of a very estimable and amiable Postmaster General. I received assurance from him a couple of weeks ago when I discussed postal matters in this House that he would not allow political considerations to interfere with the efficient performance of public duty by officials of his department. With regard to the tenders received for this contract, I believe that of the six tenderers five happened to be Liberals and one a Conservative. The lowest tenderer is a Liberal. His tender was considered excessive, and he wrote to the department making a very substantial reduction in the lowest tender, stating that if the other persons tendering reduced the amount of their tenders he would make a further reduction to keep his tender still the lowest. This matter has been pending for many months and the tenderers are awaiting a decision by the department. Meantime some of them have prepared themselves for carrying out the contract by purchasing horses and carriages, thinking that in due course this contract would be awarded. The lowest tenderer particularly had reason to believe that his tender would be accepted. We hear from time to time justification by the Government of their conduct in increasing the salaries of some officials, that it is due to the high cost of living. This would apply with equal force to this mail contract, as the cost of living, the cost of horses, vehicles, feed and wages has increased. We know that in Nova Scotia, as in other provinces, a horse that could be purchased four or five years ago for $100 cannot be had to-day for less than $150. We know that the cost of feed has gone up enormously. Hay that could be purchased a few years ago for $12 a ton now costs $20 a ton, and the same with regard to oats, and as regards the wages of the men required to assist in performing this work, men who could be got a few years ago for ten dollars a month and board have now to be paid $15 to $25 a month and board. All these things should be taken into account when the department is about to execute new contracts for the conveying of the mail. I submit that the fact that persons do not tender for the carrying of mails to the same extent to-day as they did some few years ago is no justification for this department's refusing to accept the lowest tender. I am bound to say that in years gone by there was no class of public servant so

poorly paid as the mail courier. There was always competition among neighbours living in the country communities, which resulted in the mails being carried at a very low price indeed. But circumstances have changed in the last fifteen years in the province of Nova Scotia, and men who were then willing to perform this service for the Government at a very low price have found more profitable employment; and the competition is therefore not so keen as in the past. But I know of no case where the lowest tender for the carrying of mails ought not to be accepted. When tenders are called for in the ordinary course and several tenders are received by the department, the lowest tenderer ought to indicate the lowest figure for which the department should expect this service to be performed. Where there is proof of fraud or collusion between tenderers that is a different matter, and the department would be justified in looking into it; but where there is no evidence of fraud or collusion, and where a fair degree of competition exists between the tenderers, there is no justification whatever for the department insisting upon mail couriers performing this service at a starvation price, especially when it is recognized that all other servants connected with the Government are entitled to extra remuneration on account of the high cost of living. And in the case of the mail carriers there is not only the high cost of living to be taken into account, but the high cost of all the material and plant which is necessary for the contractor to have in carrying on the service.

Mr. BURNHAM: Is it the intention of the department to increase the remuneration of the mail carriers in proportion to the increased work, and on account of the increased risk there is in carrying parcel post matter in bad weather. If not, I know for a positive fact that in our part of Ontario there will be a complete smash-up of the service, and it will be no use for the Department to appeal to some of the members to try and have the tenders lowered. If the pay is not increased it will be simply impossible to get them to tender.

Mr. CASGRAIN: I am glad to have this expression of opinion from both sides of the committee. I can assure the hon. member for Richmond (Mr. Kyte) that I do not know the political colour of the gentlemen who have tendered for the mail service to which he has alluded. I was told by the experts in my department that the demands were excessive. These men have been in the service for a very long while and have great experience, and of course I am bound to take my information from them, and draw my conclusions to a great extent from what they tell me; for I have no personal knowledge of the service myself. But I do not mean to put any extra responsibility on their shoulders: I have to shoulder this responsibility myself. I think there is a great deal of force in what the hon. gentleman has said, and before I became a member of this House I felt somewhat that way myself on a great many occasions. But on the other hand, and especially in these times, I have to keep down the expenditure of the department, which is increasing all the time. But, consistent with my duty and consistent with the laudable ambition of keeping down the expenditures as much as possible, I am disposed to increase the allowance to mail couriers.

In reply to the hon. member for Peterborough I think I gave the information he asked for before he came in. I said that the railway companies, on account of the vast increase in the amount of postal matter which they are handling just now, have applied for a larger allowance; and we are actually in negotiation with them, but no conclusion has yet been reached. If we feel that the railway companies are, on account of the increased postal matter, justified in asking for an extra allowance, and also the mail couriers, the matter will be taken into very serious consideration by the department. If it is made plain to the department that the claims put forward by these men are claims that will bear the light of day, we shall in every meritorious case increase the allowance.

Mr. BURNHAM: I can see a frightful future if the merit of each case has to be established, because we may rest assured that all the couriers will think they have a meritorious case. Unless some business principle is adopted, the future looks to me extremely gloomy.

Mr. CASGRAIN: Up to the present we have not had a great many complaints on that score, and therefore I do not look to the future with such terror as my hon. friend does. We have had some claims, but not many, on account of the increased postal matter which the couriers have to handle.

Mr. BURNHAM: The couriers in my district have nearly all told me what they expect, and I have assured them that the

department will probably treat their cases reasonably; and they are waiting for that treatment.

Mr. KYTE: The Postmaster General told us that he was guided entirely by the officials of his department as to the reasonableness of the cost of a particular service. That is quite proper. But I should like to know whether his officials are taking into account the extra remuneration that contractors ought to be entitled to, on account of the extra cost of living, and the increased cost of the plant and material required in performing the service; also the increased remuneration they are entitled to in respect to the parcels post service which they are performing.

Mr. CASGRAIN: Certainly.

Mr. KYTE: With respect to the particular case I am discussing, that is, the contract for carrying the mails between Grandigue Ferry, Arichat and West Arichat, the minister in answer to a question a few days ago stated that he would execute the contract as soon as a reasonable offer had been received. If I am correctly informed as to the figure submitted to the department by the lowest tenderer, I submit that there is no reasonable excuse for refraining from executing that contract. The circumstance that the service was performed at a lower figure some years ago ought not, in view of the circumstances to which I have called the attention of the committee, to have any weight with the department at the present time. I think there ought to be no further delay on the part of the department in executing that contract. I am informed that the lowest tender in this particular case was for $650. The contract for years has been let at $495, so the difference in the amount asked for at the present time and the amount that has been paid for the last 15 years, is only $155. In view of the circumstances I have disclosed to the committee, I say there is no justification for the department refusing to enter into this contract. This is the first time that the contract is sought for under the conditions imposed by the parcel post sytem, and it may be taken for granted that those tendering for this service took into account the extra work on account of the parcel post system; so when this contract is let the book will be closed so far as any extra remuneration will be asked for by this contractor during the term of his contract.

Mr. MARCIL: Are all the railways being paid for carrying the mails, or only some of them ? I am told that a railway in my constituency carries the mails for the first 80 miles under the old Railway Subsidy Act and is paid for that distance, but that for the remaining distance of 120 miles, from Matapedia to Gaspé, they are paid nothing. Is that the case ?

Mr. CASGRAIN: The reason for that is that the railway from Paspebiac got a special subsidy.

Mr. MARCIL: This railway is not paid at all.

Mr. CASGRAIN: The department pays 3 per cent of the subsidy to the Finance Department.

Mr. MARCIL: Does the minister consider it fair treatment of a railway which has been eking out an existence to compel this company to carry mails without paying them for it?

Mr. CASGRAIN: I am told that this is the law, and that it has been for some time.

Mr. KYTE: Would the minister tell the committee with what railway companies he has readjusted the rate for carrying the mails?

Mr. CASGRAIN: All the railway companies in Canada, except a few which carry the mails for the subsidy I have just spoken of. I have not a list here, but if the hon. gentleman wants it I can give it to him.

Mr. KYTE: The readjustment has been made with the Canadian Pacific Railway, the Grand Trunk and the Canadian Northern, and those that have not received this more generous treatment are the smaller companies?

Mr. CASGRAIN: It is impossible for me to give the information this evening, but if the hon. gentleman wishes it I can give it to him at a later stage. It is with the larger companies that we have made this arrangement.

Mr. KYTE: I would be very glad indeed if the minister could bring that information before the committee when we again take up the Estimates of his department.

Mr. MARCIL: Does the minister not think, having some knowledge of the conditions in the Gaspé peninsula, that this railway company should be paid for the service they perform? The manager of the railway was here the other day, and he

spoke to me about the matter. Has there been any change in the policy of the department in regard to mail contracts? What happens when a mail contract is about to expire?

Mr. CASGRAIN: Tenders are called for except in some cases where the contract is renewed because the price is considered satisfactory to the department.

Mr. MARCIL: Where there is any change in the price are tenders called for?

Mr. CASGRAIN: Yes.

Mr. MARCIL: I do not want to resurrect old issues, but the predecessor of the hon. gentleman cancelled a number of mail contracts in my county without giving the old contractors a chance to tender. I do not want the minister to follow that practice. We were fresh from the fray then, and I suppose that was the reason.

Mr. DOUGLAS: I wish to say a word or two to the minister in connection with the present postal arrangements in the city of Strathcona. Strathcona has been amalgamated with Edmonton, and forms a part of the city. We have a post office in the old city of Strathcona, and, as I understand, the department still recognizes the old city for postal purposes. The new stamp tax is going to inflict a hardship on the people of Edmonton in sending mail from one portion of the city to the other. The department, I understand, was to change the system or name of the post office as soon as the city of Edmonton agreed upon a proper street numbering system. That system has been in existence now for something like one year, and yet I understand the department has made no move to change the name of the post office and put the office on a city basis, the same as the main office in the old city of Edmonton. I would like to know if the minister has done anything further along this line.

Mr. CASGRAIN: We have not received notice that this change has been made, but as soon as we receive notice we will make the change. We will take notice now from the hon. gentleman.

Mr. DOUGLAS: I give you notice now, because this is a grievance we have been suffering under for a long time. At present a letter from one portion of Edmonton to another is only allowed to go through on a one-cent stamp basis by the courtesy of the postmaster on one side of the river or the other. But in many instances an inexperienced clerk will return a letter for lack of postage, and great inconvenience is thereby caused to those who are sending letters. I wish to say a word in regard to the question of mail contracts. On the 18th of this month I put the following question on the Order Paper in regard to tenders for carrying the mails between the post offices at Calmar and Telfordville:

1. How many tenders were received in connection with the contract for carrying mails between Calmar and Telfordville?
2. What are the names of the tenderers, and the amount of each tender?
3. Who received the contract?
4. Who is carrying out this contract, and to whom is payment being made?

To which the following answer was given:

1. Three.
2. J. H. Vanalstyne, $400; F. M. Grant, $468; I. J. McKinney, $700.
3. I. J. McKinney offered to reduce his tender to $398, and the contract was awarded to him. The post office inspector reported that McKinney refused to sign a contract and submitted the name of W. J. Dent as a suitable person willing to accept $398. Mr. Dent's offer was accepted.
4. W. J. Dent.

As a matter of fact these tenders were asked for and the local patronage committee, I regret to say, allowed politics to enter into this case. The tenderer who had put in the highest tender, Mr. McKinney, was recommended by the local patronage committee as being a proper person to receive this contract. Fortunately for the service, Mr. McKinney was a man of high character, and he refused to be a party to any such business as is shown in this answer. Mr. McKinney's tender was $700, and yet according to this return he agreed to bring down his price to $398, two dollars less than the price of the lowest tenderer, who unfortunately had been a Liberal and who had been carrying the mail prior to this. When it is suggested that Mr. McKinney had agreed to reduce his tender from $700 to $398 and had then refused to sign the contract it is evident on the face of it that he never made any such agreement. The agreement was made for him by the local patronage committee, who desired Mr. McKinney to do the work. The lowest tenderer was Mr. Vanalstyne, who apparently was completely ignored in the matter. The strange part of this is that Mr. Dent, who had not tendered at all, was awarded the contract at the price of $398. My information is that Mr. Dent is not carrying this mail at all, but that the lowest tenderer, Mr. Vanalstyne, is carrying the mail under a subcontract or verbal arrangement with the

contractor. I submit that this is a most unbusinesslike method of carrying on the business of the department. I do not think the Postmaster General knows anything about it, but these answers, on their face, would indicate that the return is absolutely incorrect. I wish the Postmaster General would see that everything is quite right in connection with this contract.

Mr. CASGRAIN: I will look into that case.

Mr. MARCIL: I wish to call the attention of the Postmaster General to the condition of the post office service in a part of Montreal which has come under my notice. Westmount and Notre Dame de Grace are two parts of Montreal which have progressed most rapidly during recent years. On Victoria avenue, Westmount, close to the limits of Notre Dame de Grace, the post office there is kept by a gentleman named Fry, with his wife, and his brother. No allowance is given for that post office, and it is probably the post office in which most business is done in Westmount. The post office returns show the gross receipts from it to be $13,000 with 7,604 money orders issued to the value of $65,000. With the exception of St. Catherine Street West post office and St. Henri it is I think the largest sub-post office in Montreal. The building is a small shanty of about 25 feet wide and 40 feet deep, and in addition to it being a post office it is a book-store and news-room. At certain hours of the day, men, women, and children who go there have actually to stand out on the sidewalk to wait their turn before they get into the building. That post office building is nothing less than a disgrace.

Mr. CASGRAIN: Is that a post office where mail is received only, or is the mail distributed from it?

Mr. MARCIL: I think it is only a mail-receiving station. The distributing post office for Westmount is at the corner of Greene avenue and St. Catherine street and this office is on Victoria avenue, which is a transfer point for the urban and the city street cars. The gentleman in charge of this post office is a very competent man and one who has given general satisfaction to the public. I asked him why he did not have better premises and he replied that he had asked the department lately for an allowance of some kind and he had been waiting to rent a very nice building on the corner of Victoria avenue and Sherbrooke street, but the department would give him no allowance. If in a case like this the department had granted an allowance to this postmaster to rent a new building which at the time was unoccupied, a great service would have been rendered to the locality, and it would not have been necessary to go to the expense of putting up a large and costly public building in that immediate vicinity. The nearest post office to that on Victoria avenue is the new Westmount post office at the corner of Greene avenue and Western avenue, which has not yet been occupied. The old post office, at the corner of Greene avenue and St. Catherine street is a small brick building. I have no doubt that the minister wants to put his postal service on a proper footing and I think he should look into these matters.

Mr. CASGRAIN: The new post office in Westmount will be occupied in a few days.

Mr. MARCIL: The new post office will serve the people going down Greene avenue, but it will be of no use to people using Victoria avenue which is quite a distance away. There is another matter to which I would draw the attention of the Postmaster General, and it is that Sherbrooke street, from Victoria avenue, Westmount, through Notre Dame de Grace to Montreal West, is the only avenue towards the West from Sherbrooke street to Montreal West, and is the most frequented boulevard in the western part of the city, and there are no post office facilities from Victoria avenue to Montreal West, a distance of three miles. There is an old gentleman named Baker, whom the minister may know, a retired school-master and military man, and he tells me that within the last year he has worn out a pair of shoes walking down to Montreal post office.

Mr. GRAHAM: What kind of shoes had he on?

Mr. CARVILL: Was he a military officer?

Mr. MARCIL: He tells me he wore out his shoes walking down to the Montreal post office trying to impress on the postmaster and his assistant the importance of having a sub-office in this locality. A number of new stores have been erected all along that street, and I believe that whether the Postmaster General has an embarras des riches or not, he should give a post office to that locality between Westmount and Montreal West. The post office in Notre

Dame de Grace at present is an old building near the church of Notre Dame de Grace, which was established in the old days when Notre Dame de Grace was a rural municipality, when to-day it is part of the city of Montreal, and the main traffic through it is now on Sherbrooke street where there are no post office facilities. A sub-post office should be erected halfway between Victoria avenue and Montreal West. I hope the Postmaster General will look into these two glaring cases which I have brought to his attention.

Mr. CASGRAIN: The postmaster at Victoria avenue, referred to by my hon. friend, gets an allowance of $200 a year for rental and besides he gets a commission on all stamps, postal notes, and money orders that he sells, so that, it seems to me, he should have suitable premises for the business done there. I understand that this is a sub-office where stamps, postal notes and money orders are sold, and that it is a receiving office only for mail. This gentleman has an allowance and perhaps he ought to accommodate the public better than he does. As to the other stretch of street, where my hon. friend says there are no post office facilities, surely there must be postal boxes?

Mr. MARCIL: Yes.

Mr. CASGRAIN: My hon. friend says that a great many stores have been erected there recently, and it would seem strange if some of the owners have not applied to the department for permission to sell stamps. I shall very carefully read over the remarks that are made in the House on this matter, and we shall try to give as much satisfaction as we can.

Mr. MARCIL: The public do not know whether the postmaster at Victoria avenue receives an allowance or not, but they do know that the accommodation is not sufficient. The minister knows the character of the people who reside in Westmount and that they are among the very best class of people in the city of Montreal.

Mr. CASGRAIN: I know.

Mr. MARCIL: And when people come to that tumble-down old shanty and have to wait together in crowds to get in as best they can for parcel post and everything else, they rightly think it is not a credit to the Post Office Department. Neither is it a credit to the post office administration to have a stretch of three miles on Sherbrooke street, from Victoria avenue to Montreal West, without a single sub-post office.

Mr. J. J. HUGHES: I wish to bring to the attention of the minister, who, I think, is attempting to give a proper service in the Post Office Department, a condition that exists in my province that requires to be looked into. The service is becoming demoralized.

Some hon. MEMBERS: Oh, oh.

Mr. HUGHES: I will point out to the minister and to those hon. gentlemen who say "Oh, oh," why I feel justified in my remarks. Last year, during the session of the House, I found that most of the letters I wrote never reached their destination. Several letters written to me did not arrive. When I returned home I found that a number of people had a similar complaint, and a little later on a young man in the post office service, a railway mail clerk, fell under suspicion. The post office inspector put letters into the post office with marked money in them. Those letters disappeared. The young man was arrested, and the money was found on him. He was taken before a magistrate, and for some reason or other the inspector could not find time for several days to appear at the trial. Finally, when the inspector came to the trial, he could not remember the marks on the money; in fact, he could not remember anything, and the case was dismissed, because there was no evidence. Leniency may be a good thing to exercise in some instances; but that is carrying it to an extreme, and it will have a very bad effect on the whole service, because the circumstances are well known. That is the worst case that I have to relate. The whole service, from the top to the bottom, is going wrong. No care is being exercised. The rural mail system prevails very largely in my province. For some reason or another the mail couriers are illiterate men or careless, and the carelessness is extending to every one, so that, when a letter is mailed now, there is no certainty at all that it will reach its destination. The service in all parts of the province is very poor; there is a great deal of insubordination and inefficiency; there is demoralization and worse. I believe the minister is honestly trying to give to the people of Canada a good service, an improvement on that of his predecessor. I ask the minister to look into these matters.

Mr. CASGRAIN: I am very sorry to hear that the service in Prince Edward Island is

as bad as my hon. friend says it is. Did my hon. friend ever report this state of affairs to the department?

Mr. HUGHES: I reported it first to the postmaster in my town, because I thought he was the guilty party. I found out subsequently that he was not. I feel satisfied that, if the Postmaster General makes an inquiry, he will make an improvement in the service. It is just as well to be plain. There is a great deal of drinking going on in the department.

Mr. CASGRAIN: That does not apply to the department here.

Mr. HUGHES: I hope not.

Mr. CASGRAIN: I promise my hon. friend to send a teetotaller to that province to make an investigation.

Mr. HUGHES: I am informed that a number of post offices have been closed in the neighbourhood of Red Point, and that the post office at Red Point still remains open. If the other offices have been closed, why is the post office at Red Point left open?

Mr. CASGRAIN: Has the rural mail service been established in Prince Edward Island?

Mr. HUGHES: The rural mail service has been established in nearly all parts of the province.

Mr. CASGRAIN: That is the reason, I suppose, why the post offices have been closed.

Mr. HUGHES: What is the salary of the postmaster at Red Point, King's county?

Mr. CASGRAIN: We will get that information.

Mr HUGHES: In the spring of 1914, tenders were called for carrying the mail between Cardigan bridge, Cardigan, and Annandale. Who tendered for that service and to whom was the contract awarded?

9 p.m.

Mr. CASGRAIN: Did the hon. member ask a question about that?

Mr. HUGHES: No.

Mr. CASGRAIN: I am not able to furnish the information this evening, but I will give it to the hon. member.

Mr. MARCIL: On the subject of the rural mail system, will the minister tell the committee how the system is working in the lower parts of Quebec?

87½

Mr. CASGRAIN: I do not know whether I shall be able to distinguish between the different parts of Quebec. I have here a statement as to the rural mail service:—

Statement of the Growth of Rural Mail Delivery in Canada.

From the inauguration of the service in September, 1908 to 30th September, 1911.

Province.	No. of routes authorized.	No. of boxes erected.	Additional cost per annum.
P. E. Island	49	922	$ 2,342 17
Nova Scotia	19	247	834 90
New Brunswick	50	870	3,871 48
Quebec	27	269	2,008 73
Ontario	389	12,578	49,769 54
Manitoba	29	263	2,027 88
Saskatchewan	12	181	382 50
Alberta	23	363	760 35
British Columbia	16	322	3,023 07
Totals	614	16,015	$65,020 62

From 1st October, 1911, to February, 1915.

Province.	No. of routes authorized.	No. of boxes erected.	Additional cost per annum.
P. E. Island	107	6,063	$ 39,396 32
Nova Scotia	78	2,635	19,810 26
New Brunswick	151	4,039	36,031 01
Quebec	372	13,210	184,326 19
Ontario	1,391	72,940	772,269 37
Manitoba	36	768	18,218 63
Saskatchewan	23	524	6,967 35
Alberta	31	423	6,954 05
British Columbia	36	1,810	16,309 68
Totals	2,225	105,385	$1,100,282 86

The service is increasing very considerably, especially in Quebec. We are adopting the rural mail service in all parts of Canada, and the fact is that we are putting out 1,000 boxes a week.

Mr. MARCIL: There were some parts of Quebec where the minister had difficulty in introducing the system, were there not? I understand that in my own constituency tenders were called for, but the department refused to let the contracts because the tenders were too high.

Mr. CASGRAIN: I believe so.

Mr. MARCIL: Has anything been done since then?

Mr. CASGRAIN: We hope that something will be done in a short time.

Mr. MARCIL: Are there any rural mail routes in Bonaventure?

Mr. CASGRAIN: No.

Mr. MARCIL: Or in Gaspé?

Mr. CASGRAIN: Not yet.

Mr. MARCIL: In Rimouski?

Mr. CASGRAIN: I have not before me the figures as to the different constituencies.

Mr. MARCIL: Is the rural mail delivery system paying its way?

Mr. CASGRAIN: I am told that it does not pay, and it never will.

Mr. MARCIL: What is the average loss in a year?

Mr. CASGRAIN: I have not the figures before me, but I shall be able to give them.

Mr. MARCIL: I understand the system is not paying in the United States.

Mr. CASGRAIN: No.

Mr. WILLIAM CHISHOLM: What is the saving from the closing of post offices?

Mr. CASGRAIN: I will look that up.

Mr. LANCTOT (Translation): Mr. Speaker, I desire to call the attention of the Postmaster General to the rural mail delivery in the county of Lapraire-Napierville. At Saint Constant, in my home parish, complaints are often made to me concerning the Saturday delivery. I will give the facts: When the general scheme was planned, a gentleman was sent from Montreal for the purpose of laying out the route; but instead of taking into account the boundaries of each parish, he took in for example part of La Fortune de Saint Philippe, thence through the parish of Saint Constant and up again into the "Petite Côte" of Saint Constant and stopped at a point in the parish of Saint Michel. So that the inhabitants of the Petite Côte of Saint Constant who, before the starting of the new system, used to get their mail at the village of Saint Constant now get it from La Fortune de Saint Philippe, which is at a distance of six miles from the village of Saint Constant.

Everything runs smoothly until Saturday. Then there is no delivery until the next Monday with the result that these people are deprived of the Sunday mail; and it is on Sunday that they most require it. If the boundaries of the parishes had been taken into account in the laying out of these routes, the mail would still be delivered at the village of Saint Constant and the people could get their mail as usual on Sunday after mass. The minister is quite aware that the farmers who work every day from five o'clock in the morning to eight o'clock in the evening will not find time to read the newspapers on Monday morning.

Hon. Mr. CASGRAIN (Translation): Will the hon. member kindly tell me why the mail is not delivered on Saturday evening?

Mr. LANCTOT (Translation): I presume that in many cases the mail comes in too late from Montreal; but where I reside, the mail for La Fortune de Saint Philippe, gets in at 5 o'clock in the afternoon. The case of La Fortune de Saint Philippe is repeated all over the county. I should suggest to the minister to have the mail delivered on Saturday evening or else to return to parish boundaries in establishing rural routes.

Mr. WILLIAM CHISHOLM: I am afraid that there is a little too much truth in what the hon. member for Kings, P.E.I. (Mr. J. J. Hughes), alleges with respect to the Post Office Department. There is a general belief, whether rightly or wrongly, that the postmasters in the country sections are not as careful as they should be and that the secrecy that should be maintained is not observed in these offices. In fact, there is a suspicion that it is not safe to send mail matter through some of these offices. I grant that a good deal of that may be due to suspicion. The wholesale dismissals that took place under the late Postmaster General as compared with the almost inappreciable number that took place under the Liberal Administration—

Some hon. MEMBERS: Oh, oh.

Mr. CHISHOLM:—to which I will refer later on, may be responsible for these suspicions. Hon. gentlemen opposite laugh, but it is a fact that, under the late Administration, in the rural districts there were very few dismissals, and these only for cause. The reason for the difference may be that whereas formerly. postmasters were paid only $12.50 a year, and it was hard to get anybody to take the office, while there was no inducement for anybody to seek it, now the salary is $50. You can understand how the party friends will seek the job. The result is that wholesale dismissals of postmasters in country places have taken place under this Government That is a fact that cannot be disputed. I am not saying that the Liberal party are any better than the Conservative party, I am not saying that they are not just as

human as the Conservative party. I am pointing out the fact and not discussing what may be the answer. Perhaps because of the fact that these wholesale dismissals have taken place under the present Administration, there is a suspicion, that may in many cases be ill-founded, on the part of a certain section of the country, that justice will not be done through these offices; but, nevertheless, there is this fact that some of these postmasters who have been appointed as a reward for political services, think they can do just about as they like.

Mr. CASGRAIN: They cannot.

Mr. CHISHOLM: And it is a notorious fact that under the late Postmaster General, the Iago who presided over the department since 1911, a condition of demoralization has arisen, the service to-day is looked upon with disrespect, it has been brought into disrepute by the manner in which the late Postmaster General administered his department. The spirit of the law, so far as the postal regulations are concerned, was practically disregarded by him, the system of awarding contracts after calling for tenders became a veritable farce. The hon. member for Richmond (Mr. Kyte) pointed to a case in his county under the present Postmaster General. I do not wish to say anything in the way of flattery of the present Postmaster General, but the country at large regard his appointment to the high office which he fills as a very much needed and decided improvement, and they feel that under him the postal service will be improved, that there will be a decided uplift in the administration of the department. As far as the service is concerned, I am sure that the country will read to-morrow with interest and with a great deal of satisfaction the assurance which the present Postmaster General gave that he would follow a straighter course and would aim at higher ideals than his predecessor.

Mr. CASGRAIN: I did not say that, I could not say that.

Mr. CHISHOLM: You could not say that? I am not saying that you did make a statement of that kind in so many words, it would not be courteous to your predecessor to do so; but we heard from the hon. gentleman an assurance of the course which he intends to pursue, and if he will pursue that course it will be a deviation from the course pursued by his predecessor. I had occasion to point out last year several cases I knew of in my own constituency where the system of tenders was absolutely disregarded, where the late Postmaster General undertook to award contracts to men who were not the lowest tenderers, and did so in violation of the spirit, if not of the letter of the law; cases where, after having awarded contracts, he undertook to wantonly break those contracts without any regard to the fact that a contract is sacred, and that a contract to which the King's name is put should be regarded with a great deal more seriousness than an ordinary contract.

Mr. BRADBURY: Could the hon. member name any of the contracts given out in that way?

Mr. CHISHOLM: I named them last session, I quoted the evidence, I cited the pages of Hansard and the documents brought down from the department, and proved the cases so conclusively that the minister did not attempt to reply, for there was no reply possible to the cases to which I referred. I have in mind one or two of those cases. Let me take the case of the service between Antigonish and Livingstone's Cove. Tenders were called for that service; the lowest tenderer was Mr. John R. McAdam, who happened to be a Liberal. There were five or six tenders, but instead of awarding the contract to the lowest tenderer, McAdam, the department began to look around for excuses to give the contract to one McPherson, who was recommended by the man who had charge of the patronage of the county. McPherson was recommended as a reliable man and it was alleged that McAdam did not have property in his name. So they searched the records and found there was nothing standing in his name. He was a young man living with his father on a property worth from $2,500 to $3,500. He was the man to whom the property was to go on the old man's death. I think, as a matter of fact, he had a deed although it was not on record. Coming back to his tender, he had two sureties proposed as bondsmen for the due performance of his contract. Some doubt was thrown on one of his sureties, but Mr. McAdam wrote and offered to provide a guarantee bond from one of the guarantee companies and he also offered two private individuals, each of whom was worth anywhere from $10,000 to $25,000. So there was no possible escape so far as the question of security for the performance of a contract was concerned and, as he said, he did not know that it was

necessary for him to be a millionaire in order to run a mail service. They juggled that contract back and forth. Then the man McPherson, recommended by the man in charge of the patronage and alleged to be a highly responsible person, turned out to be an imaginary man and he disappeared. It developed that his tender had been put in by another person for this man McPherson, who did not want the contract; and the late Postmaster General stated in a letter to the man in charge of the patronage that it put him in an awfully humiliating position. That was the effect of the letter which I read last session. The tenders, as I said, were juggled with and they had to call for tenders again, McPherson having left the country. While they were juggling with the tenders ten months had elapsed. During that time they had to make a special arrangement at $125 a month for which they paid out $1,250. Had they accepted McAdam's figure, the lowest tender, and there was no possible excuse for refusing it, it would have cost only $786, so there was a loss of $464 in ten months, a net loss of 60 per cent. Perhaps the hon. member for Selkirk (Mr. Bradbury) thinks that that is good business or is justifiable.

Take another case in my own constituency, and when I can find such glaring cases in my little county with a population of 12,000 what must it be all over Canada? Take the case of the contract between Guysborough and Heatherton. The lowest tenderer there was Mr. Anselm Rogers.

Mr. BRADBURY: Mr. Chairman—

The CHAIRMAN: Order.

Mr. CHISHOLM: He had in competition with him a good Conservative, so the forces were brought to bear to see that Rogers did not get the contract. Objection was raised to his sureties and he wrote to the department—the file was brought down last year—and offered two sureties, one the local member, Mr. Trotter, a man supposed to be worth from $40,000 to $50,000, and the other Mr. James Tory of Montreal, the local member of Provincial Parliament for Guysborough, estimated to be worth between $75,000 and $100,000. Yet in some way or other they managed to find that Mr. Rogers could not put up satisfactory security and they got him out and gave the contract to Mr. O'Connor. There was a loss to the country in the meantime, owing to their temporary arrangement with Mr. O'Connor, the previous contractor, who was paid temporarily, of $650 in seven months. That was the loss as compared with what they would have had to pay if the contract had been awarded in a proper and businesslike way to the lowest tenderer.

That kind of thing has been going on in other sections of the county, and it has come to this now: No Liberal will put in a tender unless he does it for the purpose of bothering his Tory neighbour and making him submit a lower figure than he otherwise would; but they do not do that. The result is that the Liberals never put in a tender at all now, and there is no competition from that source. The Postmaster General stated a while ago that it was necessary to exercise economy in these strenuous times. That was a very good proposition for him to announce in this House, and one that the ministers on both sides of him might well follow. It is true that it is well to economize, but the service need not be starved, and the couriers need not be obliged to work for the miserable pittance they get to-day and in the unfair manner in which they are working. If the Postmaster General will cut out the dishonest work that went on under his predecessor and carry out the principles he has enunciated to-day, and I believe he will, and award the contracts to the lowest tenderers, unless there is some legitimate reason for not doing so—and there may be a few cases of that kind—he will save hundreds of thousands of dollars all over the country, and be able to give the couriers something like reasonable pay for the service they are supposed to perform. There is a suspicion in the country, perhaps not very well founded in all cases, that the postmasters have not that conception of their duty which they should have, and it would be a good thing if the Postmaster General, now that he is new in the office, would inaugurate some system of discipline whereby their attention would be called to the fact that they are the servants of the public; and I am sure they would appreciate that themselves.

Some hon. gentlemen have referred to dismissals under the late Administration. I want to say that during the nine years I have sat in this House I have not recommended a single man for dismissal on account of political partisanship. Not a man in my district has been dismissed on account of his politics, or dismissed at all so far as I know, during the nine years I

have sat in Parliament; and my predecessor did not dismiss a single man in the county of Antigonish during the time he sat in this House from 1896 onwards. I have made some recommendations, and six new postmasters have been appointed. All of these were Tories, but it was not because they were Tories that I recommended them, but because they happened to be situated in the most convenient part of the section. The late Postmaster General was not governed by any consideration of that kind, for in two places particularly, which I pointed out last year, he placed the post office at the extreme end of the district; and when the matter was brought to his attention he promised to look into it, but I do not think he ever did. I refer to the post office at Doctor's Brook and the post office at Middleton, both in Antigonish county. Both post offices are at the extreme end of the district where they are not a convenience to the people at all. As I was saying, I have recommended six new postmasters during the time I have been in this House, and they were all Conservatives. I made no distinction between Liberals and Conservatives. Of course, other things being equal, I will be frank and say that I would recommend a Liberal. But the first consideration was the convenience and accommodation of the public, and that being so, I did not hesitate to recommend Conservatives when these vacancies occurred. There are 95 postmasters in the county of Antigonish and 19 of these have been dismissed under the present Administration, and more would have been dismissed but for the fact that the rest of them are nearly all Conservatives. In our time we made no distinction and, as far as my county is concerned, the majority of our postmasters were Conservatives; but I am bound to say there was not a single man against whom there was the slightest suspicion of improper conduct. I am bound to say that the postmasters in Antigonish county with scarcely an exception, Liberal and Conservative alike, are all straight and honest and can be depended on; they will do nothing crooked, which cannot be said of the postmasters in some other parts of the country. That is the record. I did not intend to say as much as I have, and I should now like to inquire of the minister why the contract for the service system between Antigonish and Sherbrooke was not awarded to the lowest tenderer? The tenders were received at the office of the Postmaster General on the 11th of December last. I think. The details are given on page 51 of Hansard. Nine tenders were received, but seven of these were withdrawn, and I want to know why the Postmaster General did not award the contract to the lowest of the two that were left. In this connection I may say that it sometimes occurs that persons put in tenders with the expectation of being bought up afterwards, and I have the suspicion that some of those seven put in tenders with that expectation, and had no intention of running the service when they put in their tenders. I can understand a case of that kind, and particularly with this service. A few years ago there was a man on that route who ran a store halfway between Antigonish and Sherbrooke and did a large business, and he could afford to run the mail very much cheaper than anybody else. In fact, it was necessary for him to have a coach on that route in connection with his own business. It was currently reported at that time that certain persons tendered on that service who tried to hold up this man, also a tenderer, for a consideration to induce them to withdraw their tenders. As I was saying, I should not be surprised if some of these seven put in their tenders with the expectation of being bought off, and when they found there was nobody to do business with them withdrew their tenders. Perhaps they had put up no surety at all. But why was the contract not awarded to the lowest tenderer, and why did the department last December or January decide to call for new tenders?

Mr. CASGRAIN: When these tenderers withdrew their offers we had a suspicion that there was collusion between them.

Mr. CHISHOLM: Between whom?

Mr. CASGRAIN: Between the different tenderers, and that is why we called for new tenders. We received new tenders, which are much more favourable to the Government, and we have accepted one.

Mr. CHISHOLM: Has the contract been awarded?

Mr. CASGRAIN: If it has not been already let, it is being completed.

Mr. CHISHOLM: Did the minister receive any reports that there was collusion?

Mr. CASGRAIN: I do not think so, but it looked very suspicious, and that was our honest belief.

Mr. CHISHOLM: And when you arrived at that conclusion you decided to call for

new tenders? That was your sole reason for calling for new tenders?

Mr. CASGRAIN: Absolutely.

Mr. ROBB: The hon. member for Laprairie-Napierville (Mr. Lanctot) has represented to the minister that, in the laying out of a certain rural mail route, an inspector from Montreal laid out the route in a way that did not give the best service to the parish. We have a similar case in the neighbouring county of Huntingdon in connection with the rural mail route between Hallerton, Barrington and Hemmingford. An inspector from Montreal looked over the rural mail route and, I understand against the advice of the people to be served by that route put in the mail service to Hallerton from Barrington instead of from Hemmingford. I have a complaint from a merchant of Hallerton who is, I suppose, the largest user of the mail service, that owing to this route coming in from Barrington the service is delayed by from twenty-four to thirty-six hours. It has been represented to me that a much better and more satisfactory service could be had coming in from Hemmingford. Will the minister take this up with his department and have it looked into. In this connection I would like to know what the policy of the department is in regard to rural mail delivery routes where a majority of the patrons along the route refused to sign for the rural mail delivery? Does the department insist upon putting in a rural mail delivery against the wishes of the people?

Mr. CASGRAIN: To the first question I would answer that the matter is actually being studied by the department and we will certainly take into consideration what my hon. friend (Mr. Robb) has said this evening. As to the second question, we do not grant a rural mail delivery on any route except where fifty per cent of the patrons have signed.

Mr. W. F. MACLEAN: Would the minister make a short statement as to the progress of the parcel post system, and say whether he has in view an improvement of the system so as not only to widen its use but to cheapen its cost?

Mr. CASGRAIN: We are now studying this important question of parcel post in Canada. We have some special officers who are making a study of it. This is a question which I have not been able to master yet. It is a complicated question, it is a difficult question, it is a question in connection with which one has to see what has happened in other countries so as to be able to lay down rules which will apply to this country. We are extending the system as much as we can. The parcel post service has been greatly extended in the city of Toronto, where, I believe, there are more parcels sent by post than in any other part of the country. In the province of Quebec we are also trying to extend it as much as possible. We are sending men around to introduce the system and show the people and merchants especially that there are considerable advantages to be derived from the use of this system.

Mr. CARVELL: If the minister will cut the price in half and put the cost below that of the express companies he will not have any difficulty in getting people to use it. As long as the public know that they can send an article just as cheaply by express as by parcel post and have the express company call around for it and deliver it at the other end, you can rest assured that the parcel post will not do a very flourishing business.

Mr. GASGRAIN: I am informed that our charges are in many cases below those of the express companies.

Mr. W. F. MACLEAN: There has been a great development of the parcel post system in the United States and all other countries where it has been adopted, and a courageous policy, looking to the development of the parcel post system, will make the Post Office Department the greatest public service department we have in this country. The more liberal the policy is in that direction the better the service will be and the more prosperous and useful the department will become.

Mr. CASGRAIN: The deficit in the United States due to the parcel post system is $17,000,000.

Mr. MACLEAN: And the saving to the people is enormous.

Mr. EDWARDS: I want to say a word in regard to the parcel post. There is a feature of it, I know, that has received the attention of the hon. gentleman's predecessor, but I do not know how far he had succeeded in working out the difficulty. It is a matter of very great importance in the rural sections. We have hundreds of mail stage routes in various parts of the country. A considerable part of the revenue of the people who operate these routes was derived from the carrying of parcels. The inauguration of the parcel post system has

very seriously affected the income of the men engaged in this occupation. There is no question that on many mail routes in the province of Ontario, and I dare say in the other provinces, the contract for carrying the mail was awarded at a low rate because of the passenger and small freight business that the owners of these stages did. I understand that the railway companies made certain representations to the Government and that some consideration has been given to them on account of the introduction of the parcel post system. That seems to be right and reasonable, but it also seems to me that persons who are engaged in the carrying of the mails on the various stage lines throughout the country have just as good a ground for demanding consideration because of the undoubted loss which they have been subjected to on account of the inauguration of the parcel post. I spoke about this to the Hon. Mr. Pelletier when he was Postmaster General, and he said that he was giving it very serious consideration. I do not know how far he got in his consideration of the subject or whether he reached any conclusion or not. It would not be reasonable to expect that the present hon. Postmaster General (Mr. Casgrain) in the short time that he has been in office has been able to work this out, but I do ask him to give it his very earnest consideration. I have many letters from different couriers who complain that their revenue has been cut down because of the parcel post, and I have told them that I had no doubt that in time the Government would give the matter its consideration and that they would get redress.

Mr. WRIGHT: I would like to emphasize the point raised by the hon. member for Frontenac (Mr. Edwards), and put in a plea for those carrying the mail between the smaller offices throughout the country. I want to refer particularly to the advantage taken of the system by the mail-order houses who get inside the twenty-mile limit rate. I do not know whether this point has been raised in the House, but I would state that they are now sending a very large amount of advertising literature, catalogues, etc., by freight up to certain local centres throughout the country. These catalogues, etc., are landed at certain points by the carload, and the local courier has to team them to the post office and team them back again, and it is a very great hardship indeed. I have had appeals made to me on several occasions that these couriers should receive greater remuneration than they receive at the present time. I do not understand that this mail route business was inaugurated to enable the mail-order houses to get around the regulations by simply adopting the expedient I have mentioned. There should be some way of arranging the matter which would compel them to send out their catalogues in such a way as not to encumber the mail service and augment the work of the rural couriers for which they receive no consideration. If this condition is to prevail it will be necessary to increase the salaries of the men who are carrying mails back and forward in these places.

Mr. J. J. HUGHES: With reference to the Prince Edward Island matter which I was discussing, I think the Postmaster General was under a misapprehension. He asked me if I had notified the post office inspector, and I replied that I had notified the postmaster in my own town. I understood the post office inspector was aware of what was going on and that he knew that a great number of letters were being lost. I want the Postmaster General to make inquiry. I would like to know, after this man had been discovered what pressure was brought to bear upon the post office inspector to induce or compel him to desist from prosecuting.

Mr. CASGRAIN: We will inquire into this case.

Mr. HUGHES: There was considerable pressure, and pressure of a most unusual kind.

Mr. CASGRAIN: When a man is arrested and taken before the court, he is out of our hands; but there would be no excuse for the post office inspector not appearing if regularly summoned before the court. I cannot understand why he was not there; I will inquire.

Mr. HUGHES: He finally was there, but he had forgotten all about the transaction.

Mr. CASGRAIN: We have not much control over the memory of these people.

Mr. D. A. LAFORTUNE (Translation): Mr. Chairman, in 1907 and 1908, Justice Dugas, then member for Montcalm, had succeeded in obtaining the promise of a post office for St. Jacques de l'Achigan in the county of Montcalm. When I was elected in his place, Mr. Dugas said to me: Mr.

Lafortune, it is only after much trouble and hard work that I succeeded in obtaining this post office; I hope, sir, that you will carry on what I have begun. I pledged my word of honour that I would do all in my power to continue his work. In 1909, when I became a member of this House, the late Government at my request voted $15,000 for this post office. The land was bought, the plans were prepared and I was delighted to be able to spread the news that the post office was to be built at last. In 1910, all was about ready, with the exception of a survey which remained to be made and which occasioned some delay in starting work on the building. Then the unfortunate year, 1911, came upon us and the fate of the post office fell in the hands of my hon. friends.

Hon. Mr. CASGRAIN: Did a strike take place?

Mr. LAFORTUNE: And the $15,000 which had been placed in the Estimates at my request were no more to be seen in the Estimates of the second session of 1911-12. At that session, I applied for it, and nothing was granted; in 1912-13, I renewed my application, but was again refused. Before prorogation in 1913, I grumbled a little; I told the ex-Postmaster General that it was unfair to have left out this item; I insisted so much and I grumbled so much that I secured the promise that at the next session this item would be put back in the Estimates. In the Estimates of 1914, I did, to my delight, find those $15,000 in the Estimates. I was glad that at last justice should prevail. But now I find that nothing has been done. The $15,000 were there right enough, but figures on paper do not build post offices. This year that amount again shows up in the Estimates, but if nothing be done towards construction, I am no better off. Do you call that justice? Is not the new Administration bound by the obligations entered into by its predecessors? I take it that when a Government has decided upon the construction of a post office, it must be in earnest and convinced that such a building is required for the public welfare and I say it is of especial necessity in that parish. I know the spirit of justice and sense of fair play of the Postmaster General and I put the question to him whether that project will long be left in abeyance. I therefore ask the Postmaster General—and I take this occasion of congratulating him on the trust that has been placed in him by the Prime Minister, on the confidence he has been shown by his electors, and on his elevation to a post of honour; he is one of the most brilliant advocates of this Dominion—to him then as minister and lawyer, I plead for fair play and ask him to give instructions for the construction of that post office. Otherwise he would fall a good deal in my esteem; not that further negligence would do me any harm; on the contrary, the more inefficient an Administration proves, the greater advantage can an opponent derive from exposing it; and I should make the most of it. But I personally am not in question here; I only seek to obtain justice for my constituency, because I say that once he is elected, a member represents not Liberals or Conservatives but all the electors of his county. The same holds good for ministers of the Crown; they have to administer the affairs of the country not for the advantage of Conservatives or Liberals only, but for the public weal; all must receive at their hands the same measure of justice. Will the hon. minister delay any longer the building of this post office? The candidate I had the good fortune of defeating at the last election is the one to oppose the proposal, intending thereby to get even with me. But so far as I am personally concerned, I do not require this building; I have my residence at Saint Laurent, in the county of Jacques Cartier; but the electors of Montcalm are anxious for it. We can see the $15,000 item in the Estimates, but we cannot see the foundations of the building. The ex-Postmaster General has been raised to the Bench, so much the better for him. He was a good friend of mine, although now and then we had our little wranglings. He had seriously considered the request of the electors of Montcalm, but the post office is still where it was. I insist once more that the minister see to it that the people of Montcalm receive fair treatment. Let him take Government supporters as architects, favour Conservative contractors and engage Tory workmen, if he would, but let him give us the post office. Otherwise it will be said that justice is denied those electors, and surely the minister would not have that said of him.

There is another small post office I wish to speak about. I had the misfortune of having it christened "Lafortune." An investigation was made into charges against the postmaster, a poor man who had one arm severed by a threshing machine. His dismissal was asked but nothing improper could be brought home to him. But as he had to go, a scheme was devised: the post office was closed; then later it was re-established under the name of "Marion," my opponent, and another postmaster was

appointed. From what I know of the Postmaster General's sense of fairness, he will not countenance those petty devices; he is above any meanness of that kind and had he been in office at the time, he would not have allowed such a thing to pass. I am confident that he will take into his special consideration what I have said in favour of the electors whom I represent and, I trust, will represent for a long time to come.

I heard what was said by the hon. member for Queens (Mr. Hughes). How could you expect that a court would without hesitation condemn an unfortunate employee of the Post Office Department who has taken 25 cents from a letter when the minimum penalty is three years. I have suggested and I insist again that the law should be amended so as to require the registration of every money letter. If that were done, we would be spared the sight of good young men, belonging to respectable families, sentenced for the theft of 25 or 50 cents to three years in the penitentiary. There can be no surprise if the courts do all they can to save these young men from such a fate. The public, of course, must be protected; but I think it would receive more protection if the registration of all money letters was made compulsory. Registered letters, being easily traced, are not stolen; unregistered money letters are those that excite temptation. The minister knows that these thefts are committed by sons of respectable families, who have been recommended for their position by judges, senators or members. Not a week passes but application is made to me for the arrest of some of these unfortunate young men. It is a painful part of my duty. We should take away from these employees the opportunity of theft. If I thought the Government would favour a Bill to that effect I would introduce it immediately, but of what use would it be if it does not receive Government support. Some people steal $50,000 and $100,000 and they are sentenced to a few years only.

Will the minister please tell me if the post office which has been built in St. Laurent's parish will soon be open for business?

Hon. Mr. CASGRAIN (Translation): Yes.

Mr. LAFORTUNE (Translation): I seconded Mr. Monk when he asked for this post office, because in my opinion it was necessary. Although I am not member for that county, I have my residence in that parish, and I say that the post office should be opened soon. I therefore make a special request for it.

Mr. Chairman, as I have said, I hope that the minister will give instructions to have the work on the post office at St. Jacques de l'Achigan started without delay, so that at the next session, if I have again the honour to sit in this House, I shall not have to scold the minister, with whom I wish to stand well, provided he treats me with fairness.

Hon. Mr. CASGRAIN (Translation): Just a few words in reply to my hon. friend. And first, let me thank him for his compliments. Apparently he wanted to please me particularly so as to induce me to build the post office at St. Jacques. Unfortunately I am not Minister of Public Works, and the building of post offices does not pertain in any way to my department. I would suggest that my hon. friend repeat his speech when the Minister of Public Works is present, and I fain would believe that he will grant his request.

Mr. LAFORTUNE (Translation): He will so long as you recommend it.

Hon. Mr. CASGRAIN (Translation): The hon. member may rest assured that I shall recommend this post office. But he has no idea how hard-hearted the Minister of Public Works is. I have asked him for a number of post offices in my own county, but I have not yet been able to obtain them.

Mr. LAFORTUNE (Translation): In that case, I shall help you.

Hon. Mr. CASGRAIN (Translation): Another question has been raised by my hon. friend; that is the punishment that should be meted out to those who steal letters My hon. friend, who has much experience with the Criminal Code, knows the seriousness of this crime and the consequences it entails. The post office employee is a trustee, a servant of His Majesty, an agent of the people. If he fails in the performance of his duties, the punishment must be proportionate to the offence. Perhaps the penalty which is now provided is somewhat excessive—I am not prepared to discuss this point, but, in any case, it is a question which deserves the consideration of the Postmaster General and the Minister of Justice.

The interesting suggestion of the hon. member, that the public be compelled to register money letters, has been given out

again and again, and several times it was attempted to enact such a law. The attempt was made to introduce legislation to that effect such as exists in France—and I believe it is the only country where it is in force—but could never be adopted, because it could never find favour with public opinion. The Postmasters General who have sought to place this enactment in the statute books, have always met with opposition from the business community.

Mr. MARCIL: The minister announced some time ago that a new post office had been opened at Westmount, Montreal. Has a new post office been opened on St. Catherine street west lately?

Mr. CASGRAIN: I am strongly under the impression that a new post office has been opened on St. Catherine
10 p.m. street west, but I will seek further information and let my hon. friend know. Many sub-stations have been opened in the city of Montreal, and we are continuing to open new sub-stations. They are required by the constant increase in the population of the city.

Mr. PROULX (Translation): I would ask the Postmaster General if there is an existing regulation to compel people to register letters inclosing more than one dollar?

Mr. CASGRAIN (Translation): No.

Mr. A. K. MACLEAN: Does the department intend to increase the salaries of any class of the outside officials of the Post Office Department? Speaking specifically, I wish to know if the Government ever had in contemplation an increase in the salaries of letter carriers in Halifax. Has any increase been made in the salaries of mail carriers in the cities?

Mr. CASGRAIN: I am told that they are well paid now, and it is not the intention of the department to increase their salaries.

Mr. MACLEAN: Has it been the intention in the past to increase their salaries?

Mr. CASGRAIN: No.

Mr. MACLEAN: Are the salaries the same in all the cities?

Mr. CASGRAIN: Yes.

Mr. LAW: Can I get a return for which I moved some time ago in reference to the dismissal of Mr. P. B. Hurlburt, Springdale, Digby county? There is very little correspondence, and the return will be short.

Mr. CASGRAIN: When did my hon. friend move for the return?

Mr. LAW: Some two weeks ago or more.

Mr. CASGRAIN: It is not the fault of the department. We have been crowded with work lately. We have been using all diligence. I will bring the return down as soon as it is physically possible to do so. We have a great many of these returns.

Mr. BOULAY (Translation): Let me call the attention of the Postmaster General to the postal service on the railway between Campbellton and St. Leonard, in the county of Madawaska. This railway used to be operated by a private company, and the postal service was performed at fairly burdensome conditions. This railway has now been taken over by the Government.

Mr. CASGRAIN (Translation): By the Intercolonial?

Mr. BOULAY (Translation): Yes. A number of the settlers on that line come from the county of Rimouski, and that is why I am particularly interested in their welfare. Those good people ask for a daily service. True it is that the establishment of such a service may mean an excess of expenditure over revenue, but I believe that it should be granted all the same, to help on the development of that locality and promote its trade.

Mr. CASGRAIN (Translation): I am very thankful to the hon. member for having called my attention to the state of things that exist in that locality, and I can assure him that the question he has raised will have the immediate attention of the department.

Post office, outside service, mail service, $8,144,805.50.

Mr. GRAHAM: What are the names of the supervisors of the parcel post system? Where is the division between the eastern division and the western division?

Mr. CASGRAIN: The eastern division is east from an imaginary line running north and south through Montreal, and the western division from Montreal West to the Pacific coast, Dr. Fiset, of Montreal, is the supervisor for the eastern and Mr. Cornelius Gleeson is the supervisor for the western division.

Mr. GRAHAM: What is Mr. Ross's position?

Mr. CASGRAIN: Superintendent of the city post offices for the western division. He is a most efficient officer.

Mr. MARCIL: Who occupies that position in the East?

Mr. CASGRAIN: Mr. Gaboury of Montreal, also a very efficient official.

Mr. KYTE: A few weeks ago I addressed a letter to the department in regard to the mail service between River Bourgeois and Cannes and the railway station at Sporting mountain. That service has been a source of great dissatisfaction and complaint to the people served by those two post offices. The Cape Breton railway runs from Point Tupper, the terminus of the Intercolonial, to St. Peters, and carries the mail for the post offices along the route. River Bourgeois and Cannes are two post offices that serve a community about two and a half miles from the station. At the present time the mail courier carries the mail from those post offices to the railway station in the evening, and the mail is taken aboard the train and carried to St. Peters, where it remains overnight. The consequence is that all letters for Halifax, St. John, Montreal and all post offices west of River Bourgeois must be mailed in the afternoon about three o'clock. They are then carried to the railway station at Sporting mountain, put aboard the train and carried down to St. Peters, where they lie over night, and the next day they are carried west. The result is that those people have not the advantage of a daily mail service. What they ask for is a connection between those two post offices and the railway station morning and evening, so that letters that are written overnight or early in the morning may be taken to the railway station and despatched to their destination by that day's train. I had this matter up when Mr. Lemieux was Postmaster General in the late Government. He submitted it to his officials, and I believe the reason why they refused at that time to give this additional accommodation was on account of the cost. It would probably be double the amount which the department is paying at present for carrying the mail between those two points. Those two post offices serve about 1,200 people. There are six or seven merchants in the village. There is a church and a telegraph office; and the inspector of schools for the district of Richmond and Inverness resides in the village, and he receives a large quantity of mail from day to day. A petition was forwarded to the department some years ago, but it was refused on the ground of the increased cost. When the department is spending so much money for rural mail delivery throughout the Dominion, from which it does not expect, according to a statement made by the Postmaster General to-night, that the expenses will ever be paid; and inasmuch as the people receive no advantage from a rural mail delivery in the county of Richmond, or as a matter of fact in any portion of the Island of Cape Breton, I do not think it too much to ask that an actual daily service at least ought to be given to this large district. Even though the revenue to be derived from the post offices to be served by this contract should not be sufficient to pay the cost of giving the people the service requested, I think under all the circumstances that that ought not to be an insuperable hindrance to the carrying out of the improvement which is so much desired. As I have said, we have no rural mail delivery. We do not expect it; there is no demand for it, at present at all events. I wish the Postmaster General would take this matter up and show his determination to advance the postal accommodation in all parts of the country by acceding to the request of the people of that part of the constituency I have the honour to represent, and not permit the consideration of one or two hundred dollars additional cost to stand in the way of this improvement in the public service. The Postmaster General was good enough to state, in reply to my letter of a few weeks ago, that the matter should be given further consideration. I realize, however, that the case will be submitted to the same officials who had it under consideration a few years ago. No doubt the same objections will be raised by these officials against the improvements I suggest, such objections as were urged against the carrying out of the improvements in the mail service between Grandique Ferry and West Arichat to which I referred a few hours ago. I do hope the officials will take a broader view of this matter than they have taken in the past and will give to this important community the accommodation which very much less important communities have in all parts of Canada, a real bona fide daily mail service between the post office mentioned and the railway station.

Mr. CASGRAIN: I had the matter up with my officials a short time ago. They are not so hard-hearted as the hon. gentleman thinks they are. The only reason why I have not come to a conclusion on the question is that during the session, as the hon. gentleman will understand, it is extremely difficult to settle these matters. I am constantly interrupted by hon. gentlemen coming to see me, and whom, of course, I am very glad to see. But it is difficult under such conditions to reach a conclusion in matters of this kind. We hope that the session will not last long, and then we will take the matter up again. I hope to convince the officials, if they are not of my opinion and the hon. gentleman's, that we ought to have the service that he asks for.

Mr. KYTE: I should be glad to communicate the expression of good will on the part of the Postmaster General to the people who are so anxious for the improvements which I suggest.

Mr. COPP: I wish to draw the attention of the Postmaster General to the fact that the rural districts in my portion of the country, and I believe throughout Canada generally, are not given as good postal facilities as they deserve. In my constituency there are a number of places where they get a mail only weekly or twice a week. For years the "back to the land" movement has been agitated. I do not believe there is a community in the Dominion—I am confident there is not in the province of New Brunswick—that ought not to have at least a daily mail. I would not give anything for the young man who wished to remain on the farm unless he could get his daily paper. Those of us living in other communities where we get our mail five or six times a day—and feel much put out if the mail is delayed by an hour—ought to be able to realize that people in a country district who receive a mail only once a week are not given proper mail facilities. I know the answer will be given that has been given on former occasions—that there is no revenue from these post offices. I remember coming to Ottawa a few years almost purposely to try to secure better mail accommodation and postal facilities for a certain community of forty or fifty farmers within four miles of the incorporated town of Sackville. I was met with the objection that there was no revenue from this post office. I answered that if a man got his mail there on a Monday he was not going to wait until next Monday to mail the reply. The post office at Sackville was given credit for the business of this smaller community. I speak on behalf of the country districts, especially those in my own constituency, but I believe I am voicing the opinions of the Maritime Provinces and of the Dominion generally. I believe we can do more to keep the young man on the farm, and to promote the "back to the land" movement by giving the people postal facilities than in any other way. We spend millions of dollars to get people to come from foreign countries to occupy the very land from which we are driving our young men because we will not give them proper mail accommodation. I am a new member of this House, and do not know what the late Postmaster General did or did not do. But I have every confidence that the present Postmaster General (Mr. Casgrain) is anxious to improve the service of which he is the head. I believe there is no department of Government that deserves more or better attention than the Post Office Department. If there is one department more than another that the people expect to get good service from it is the Post Office Department. I am not speaking on behalf of the large centres because they have very good accommodation now; but I do speak for the rural districts and ask the Postmaster General to take this matter into consideration and see if something can be done. I am not finding fault; the Post Office Department has done very well. But I believe that more can be done, and in a way that will bring satisfaction to people in rural places. I strongly contend that they have not been given fair consideration in the past. Nor am I finding fault with this Government more than with the other. I came here more often when the other Government was in power and received very poor treatment as to securing proper mail facilities for the constituency I now represent. I would ask the Postmaster General to give attention and see what can be done to improve the mail service in the country districts.

Mr. MICHAUD: Since the Postmaster General is disposed to do something for the improvement of the mail service, I would call his attention to the service on the International railway. I believe this matter has been brought to his attention already. This railway communicates between St. Leonard and Campbellton, a distance of 116 miles, and makes a connection between the Canadian Pacific railway, the Transcontinental and the Intercolonial railway. They

have no mail service on the train. It has been asked for on several occasions within the last two years, but nothing has been done. There are many settlements along this railway line, and they have no mail accommodation of any kind.

Mr. CASGRAIN: Does my hon. friend say there is no mail service on the railway?

Mr. MICHAUD: No good service anyway; for it takes three days for a letter to reach Campbellton from Edmundston, a distance of 150 miles. While I am on my feet, I wish to draw the attention of the Postmaster General to the fact that the revenues of Canada are not well distributed so far as public buildings are concerned. I am ready to give some figures with reference to revenues from post office and from customs. And, as this money goes to the treasury of Canada, I think that these places are entitled to receive consideration.

In the town of Edmundston, with a population of 2,000, we have a very poor post office and the service is sometimes not good on account of the lack of proper accommodation. There is a postal revenue at Edmundston of $2,800 yearly, and during the last five years Edmundston has given to the treasury of Canada $150,000. Yet we have no public building. I notice that from Claire, during the past five years, the Customs Department has received $91,000. At St. Leonard $58,000 has been paid. We have not even one public building throughout the county of Madawaska. I bring this fact to the attention of the Postmaster General in the hope that he will make an effort to have a public building erected at Edmundston. The revenues are there, as I have shown, and we are surely entitled to one public building.

Mr. CASGRAIN: As I told the hon. member for Montcalm (Mr. Lafortune), the erection of post offices and public buildings is not in my department, unfortunately for me; but I will make representations to my friend the Minister of Public Works and see whether I cannot bring him to build some more post offices, especially in my own constituency.

Mr. GRAHAM: I see an item for drivers of automobiles, etc., for the post offices, $8,000. Does that include some of the cities where they collect letters by motor?

Mr. CASGRAIN: In Toronto we have a great many motor trucks collecting mail, and the system is a very good one. We have motor cars in other cities.

Mr. GRAHAM: In Montreal?

Mr. CASGRAIN: No, the transfer of mail there is done by contract with the Montreal Transfer Company.

Mr. GRAHAM: How many of these other motor cars are there? I mean the ones that do not carry mails but the other kind of males?

Mr. CASGRAIN: One in Ottawa, one in Montreal, one in Toronto, one in Sherbrooke and one in Quebec.

Mr. GRAHAM: Four altogether?

Mr. CASGRAIN: Yes.

Mr. GRAHAM: I nearly got run down by one of these one night, and I wondered how many there were. There seemed to be about a dozen. This one must have been going about fifty miles an hour, violating all speed laws; it was too late for post office hours, and it seemed to me that every official in the city must have had one that night. I thought perhaps there were more than there ought to be. Is the department occupying the new post office at Eganville that has been in course of construction ever since the by-election three years ago?

Mr. CASGRAIN: I will obtain that information for my hon. friend to-morrow?

Mr. GRAHAM: The Public Works Department is building it, of course; but it is a comparatively small village and the post office has been under construction for two years or more, and it really ought to be completed by this time.

Post Office—for manufacturing of postage stamps, etc., $160,000.

Mr. GRAHAM: In connection with the extra stamps required for the direct taxation, I saw a statement yesterday that it had been decided by the Government to permit the use of the ordinary one-cent postage stamp instead of a special stamp. Can the Postmaster General say if that is the case? If so, it would save a great deal of trouble and difficulty.

Mr. CASGRAIN: That is right; they are issuing a war stamp, but in places where it would be inconvenient to get the war stamps the ordinary stamps may be used.

Mr. MARCIL: Will the Postmaster General mention the places?

Mr. CASGRAIN: I do not think so.

Mr. MARCIL: You will accept any stamp no matter where the letter comes from?

Mr. CASGRAIN: Yes.

Mr. COPP: In the larger post offices in towns and villages, where the postmasters are paid a proportion of the revenue but require to hire clerks and assistants, is that help paid by the postmasters?

Mr. CASGRAIN: Yes.

Mr. COPP: Has the department any supervision over the class of people employed?

Mr. CASGRAIN: In offices which are called revenue offices, where the postmaster is paid simply by the revenue, we do not appoint; but in the offices which are called semi-staff offices, where the postmaster is also paid by a proportion of the revenue, we appoint the employees ourselves and establish the salary. Of course, we always preserve a supervision over the employees of all offices.

Mr. COPP: In some post offices in my own county, Sackville, Shediac, etc., are the employees engaged by the Government or by the postmaster?

Mr. CASGRAIN: By the postmaster.

Mr. COPP: I understand that the Post Office Department have supervision over the employees.

Mr. CASGRAIN: To this extent, that if complaints were made we would tell the postmaster that he had to get other help.

Mr. COPP: I do not wish to make any charge against any particular postmaster, but many complaints have come to me by letter, supplementing my own personal knowledge, that the young men and girls employed in these post offices are inefficient and do not attend to their duties properly; for instance, letters are all mixed up and placed in the wrong boxes. It is unpleasant for a citizen to have to make a complaint about these matters. I know that the mistakes are not committed wilfully, but some more stringent regulations should be made and enforced by the department, so that people would not be under the necessity of either putting up with that class of service or else making formal complaints. People do not like to do that sort of thing, which would perhaps lead to the dismissal of a neighbour. In case of a charge being laid an investigation is held, and it is not pleasant for a citizen or a man in business to appear as complainant. Proper supervision is not made of the post offices where the postmasters employ help. I see by the Postmaster General's report that in some places the postmasters rent buildings. Is there any possibility of them renting buildings of a certain price and receiving a higher allowance for rental from the Post Office Department?

Mr. CASGRAIN: The Post Office Department pays them an allowance based on the revenue, and the postmaster is bound to provide suitable premises from his allowance.

Mr. COPP: The department might allow a postmaster $400, who is only paying $200 rental. Could that happen?

Mr. CASGRAIN: He must give adequate accommodation.

Mr. COPP: Adequate is a very elastic word which can be interpreted in a great many ways. Take Sackville, for instance. I am not finding fault because there is not a better post office there, but I should like the Postmaster General to urge his colleague to put up the building for which a lot costing $8,000 has already been bought. The present post office is situated on that lot, and the Government is paying interest on the lot, and a rental of $900 or $1,000 a year for the present post office and custom house. The town of Sackville is a college town and of some importance, but at present we have only a poor wooden building for the post office and customs. I think the postmaster in every community should be allowed sufficient money to rent a decent building. I also wish to refer to the fact that in the small rural districts no allowance is made for the renting of buildings. In a great many cases you find the post office in somebody's back kitchen, and often the post office sign hangs over the scullery door, and the people have to go through the kitchen to get their mail. Children are running around and can carelessly take the mail away. I say this is a disgrace.

Mr. CASGRAIN: What the hon. gentleman says is very important, but if he deals in generalities it will be very hard for me to correct the abuses he speaks of. I would ask him to specify some place, and I can assure him that in a complaint of this nature we shall keep the name a secret.

Mr. COPP: I will be very glad to give my hon. friend the names privately. I am not exaggerating; this is what I have seen in a number of places throughout the

country. I do not say that it applies to all country post offices, but to quite a number. I am not finding fault with any one, but I say that when the post office inspectors make their rounds they should see that some privacy is given in these places, and if the postmasters are not getting a sufficient allowance to rent a decent building, they should be allowed more. I do not say these postmasters are doing this sort of thing wilfully, but they are careless, and are not brought to book by the inspectors. Somebody's back kitchen is certainly not the place for a post office.

Mr. LALOR: Does not the rural mail in the county of Westmorland close up post offices of this kind?

Mr. COPP: Yes, in some cases; but there are districts in Westmorland and elsewhere where there is no rural mail, and it is just in those districts where these places are found.

Mr. GRAHAM: I should like to ask the minister about the extra stamp that is to be used on our mail. Does it apply only to such envelopes as are sealed? The reason I asked is that this point was mentioned to me, and I was not clear about it. If a booklet or a circular has to have the extra stamp, printers in large centres have represented to me that those who use a large amount of these booklets and circulars will probably have the printing done over the line and mail the matter from that side, where they would have to buy only a two-cent stamp. If that is the case the industry in Canada would lose the work, and the Government some of the revenue it expects.

Mr. CASGRAIN: This extra stamp applies only to what are called letters, that is written letters, not to circulars of any kind.

Mr. GRAHAM: They must be sealed?

Mr. CASGRAIN: Yes, if an envelope contains what is called a written letter the stamp would have to be put on it. This question does not come within my department, but that is my understanding.

Mr. WILLIAM CHISHOLM: I would like to ask the minister if he is in a position to state how many tenders were received for the mail service between Antigonish and Sherbrooke and who is the lowest tenderer?

Mr. CASGRAIN: I will give the hon. gentleman that information.

Mr. CHISHOLM: Also, could he supplement the information that was asked for early in February in respect to the tenders that were received for the service due in his office in December last?

Mr. CASGRAIN: Yes.

Post office—Yukon territory, $150,000.

Mr. GRAHAM: Is the population of the Yukon that is to be served increasing or decreasing?

Mr. CASGRAIN: Decreasing.

Mr. GRAHAM: I suppose that the expense will naturally decrease but not to the extent that the population will?

Mr. CASGRAIN: We do not feel justified in decreasing the vote yet.

Mr. MARCIL: If you are sending a letter bearing a five-cent stamp to Europe, will you be required to put on an additional one cent stamp?

Mr. CASGRAIN: That is a question we have not yet decided upon. It is a very difficult question to decide on account of the Postal Union and Convention. I would ask my hon. friend not to press the question.

Mr. MARCIL: I think this discussion would not be complete if we did not ask the present minister whether the famous padlocks have proved satisfactory and the number that were purchased during the past year.

Mr. CASGRAIN: I have a statement upon this question which I will read:

The lock for closing mail bags now and for the past twenty years in use in the service having outlived its usefulness, the Ontario Equipment Company in 1912 submitted to the department a lock for which they had obtained patent rights from the inventors, and the firm manufactured 10,000 of these locks for the department, it being the intention to have this number of locks tried out in certain portions of the Dominion before giving any further orders.

When this lot of locks was delivered, however, they were found from a post office standpoint defective and unsuitable for the service, and could therefore not be entertained, the department refusing to pay for the same, and the whole lot (10,000) was rejected and returned to the Ontario Equipment Company.

The company then submitted a similar lock, but greatly improved and overcoming all the objections found to the former one, besides being somewhat less costly than the first lock submitted; but, profiting by past experience, before placing an order for this improved lock the department submitted a certain number to practical post office men, as well as to expert locksmiths, in various cities throughout the Dominion. The unanimous report from all these officers was so much in favour of this

lock that the department placed an order for 10,000 of them with the contractor, and is now engaged in the organization of a system for the introduction of this lock into the service gradually, it being the intention to thereby spread the necessarily heavy expenditure in connection with the introduction of the new lock through the whole service, over a period of several years.

This lock is repaired free of charge, under a guarantee, for a period of two years, but owing to the simplicity of the construction, the repairing of this lock after that period is hoped to be virtually nil. The average cost of obtaining new locks and repairing old ones has been between $8,000 and $10,000 annually, and this sum will be quite sufficient for the gradual introduction of the new lock, without increasing the average annual expenditure whatever.

The lock costs 75 cents and the key 18 cents, making a total of 93 cents. The lock formerly used cost 80 cents and the key 20, or $1 complete. We gained 7 cents on each lock, and we have a much better lock.

Progress reported.

On motion of Mr. Casgrain, the House adjourned at 10.52 p.m.

Wednesday, March 24, 1915.

The House met at 11 o'clock, the Speaker in the Chair.

PENSIONS.

Sir ROBERT BORDEN: As mentioned a a few days ago, a draft Order in Council has been prepared containing an amended scale of pensions. It is not necessary that there should be any legislation making these effective, because, so far as troops in Canada are concerned, pensions are fixed under the provisions of the Pension Act and the scale can be altered from time to time. The Minister of Justice has advised us that the scale of pensions proposed with regard to troops serving in Canada can be applied under the War Measures Act to troops serving overseas. It is, however, desirable that the House should be made acquainted with what we propose, and that an opportunity should be given for discussion, if desired; therefore, I wish to lay upon the table of the House a copy of the proposed Order in Council. It has not yet been passed, and will not be passed until the House has an opportunity of making suggestions and expressing an opinion upon it. It is in the final form which we propose, with the possible exception of a minor modification which has been suggested to me within the past day or two by the Deputy Minister of Militia and Defence, and which I have not yet had an opportunity of considering. I will send a couple of copies across to my right hon. friend the leader of the Opposition in order that he may make whatever suggestions he may desire.

LAKE OF THE WOODS TECHNICAL BOARD.

Sir ROBERT BORDEN: I should like to give the House some information which, in reply to an inquiry made a day or two ago either by my right hon. friend the leader of the Opposition or by the hon. member for St. John, I promised to bring down with regard to the work which is being done in regard to the Lake of the Woods.

The Lake of the Woods Technical Board was formed by Order in Council on the 2nd of March, 1914. It consists of five permanent officers of the various departments: Mr. Chapleau, representing the Department of Public Works; Mr. Fraser, representing the Department of Marine and Fisheries; Mr. Challies, representing the Department of the Interior; Mr. Stewart, representing the Department of Naval Service; and Mr. Acres, representing the Ontario Hydro-Electric Commission. The work assigned to it is a study of conditions on and around the Lake of the Woods both before any artificial works were placed in the watershed and since, with a view to advising the Government as to the best course to pursue in the interests of Canada itself. For this purpose it is necessary to gather all the available information from dominion, provincial and private records, relating principally to the water levels, to ascertain what may be called high water, what may be called low water, and what may be called mean water. So far as possible, records for discharges and supply must be carefully examined so that the board may know what is the available supply of water, and what quantity may reasonably be expected for power purposes. When the board has sifted these records and the information, it will be expected definitely to fix the range within which the level of the various lakes of the watershed will be controlled, and of course advise as to whether the conservation of all the water will necessitate the flooding of any of the shores, and, if so, to what extent.

So far, the board has had the services of only one engineer and an assistant gathering this data. It has fortunately been able to avail itself of old records and surveys made by various departments. The gauge records, which are of course of the utmost importance, have not been very well kept in the past, and their co-relation has necessitated a great

deal of labour, but it is hoped that during the coming year everything will be straightened out.

This information has been furnished me in the shape of a memorandum by Mr. William J. Stewart, who is a member of the commission, and who is acting in a special capacity, as has been explained to the House, with the purpose of assisting the Government in connection with matters that come under the consideration of the International Joint Commission.

FIRST READING.

Bill No. 86, respecting the Grain Growers' Grain Company, Limited.—Mr. W. H. Sharpe.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

HUDSON BAY RAILWAY—WAGES OF EMPLOYEES.

Mr. TURRIFF:

1. Have any reductions been made in wages paid to the following employees in connection with the construction of the Hudson Bay railway, viz.: engineers, firemen, conductors, brakemen and watchmen?
2. If so, what wages per hour did each class receive?
3. What wages per hour does each class receive at present?

Mr. COCHRANE: The Department of Railways and Canals is investigating the matter.

TARIFF ON FERTILIZERS.

Mr. PUGSLEY:

Have the Minister of Agriculture, the Minister of Customs and the Minister of Finance, or any of them, received letters and telegrams from the Minister of Agriculture of New Brunswick protesting against the increased tariff on fertilizers?

Mr. CODERRE:

The Minister of Agriculture received a letter suggesting that the tariff on fertilizers should not be increased and this letter was referred to the Minister of Finance.

COST OF LIVING COMMISSION.

*Mr. J. J. HUGHES:

1. What has the commission appointed to inquire into the high cost of living done?
2. Has it made a report? If so, will the report be laid on the table of the House this session?
3. What has said commission cost?

Sir ROBERT BORDEN:

1 and 2. One of the commissioners has been obliged to take a holiday on account of indisposition. It was expected that the report of the commission would have been brought down before this, but it has been delayed on account of the indisposition of this one member. It is hoped that he will be able to return to his duties within a very few days. In that case the report will be laid upon the table of the House immediately.

3. I do not think the cost can be determined until the report has been made.

AMHERST DETENTION CAMP.

Mr. COPP:

1. What has been the cost of fitting up the Malleable Iron Works at Amherst, N.S., as a detention camp for alien prisoners?
2. Who was the contractor?
3. Were tenders called?

Major General HUGHES:

These are matters pertaining to the British Government.

AMHERST MILITARY PREMISES.

Mr. COPP:

1. Who was paid the cost of fitting up the Canadian Car and Foundry Company's Shops at Amherst, N.S., for military purposes?
2. What are the respective amounts paid or agreed to be paid?

Major General HUGHES:

Lumber: Brookline Lumber Co., $7,355; Rhodes Curry, $80; Canadian Car Co., freight, $27; Victor Wood Working Co., $1,828.

Plumbing: Jas. White, $2,300; Loughrey and Crocker, $260.

Hardware: Dunlap Co., $200; Douglas and Co., $275.

Sand and metal lathing: Canadian Car Co., $50.

Cook ranges: Amherst Foundry, $1,300; Chapman and Flinn, $80.

Heating and lighting: Canadian Car Co., $2,000; day labour, $8,242.

Supply of labour and material, 10 per cent: contractor, Robert Mitchell, $1,663.

DISMISSAL.

Mr. A. K. MACLEAN:

1. Has W. W. Wade, of Bear river, N.S., been recently dismissed from the service of the Government?
2. If so, what were his duties, on what grounds was he dismissed, and upon whose recommendation?

Mr. HAZEN:

1. Yes, by Order in Council of the 26th February, 1915.

2. Shipping master; political partisanship; Minister of Marine and Fisheries and A. L. Davidson, M.P.

PETITE RIVIERE FISHERY GUARDIAN.

Mr. A. K. MACLEAN:

1. Who is the fishery guardian for Petite Rivière, Lunenburg county, N.S.?
2. When was he appointed, what is his remuneration, the total number of days service, and the total amount paid him for the fiscal year 1913-1914?
3. What is the total amount of payments made to such official since his appointment to December 31, 1914?
4. If the said official is remunerated on a per diem basis, on what grounds was the former system of payment of $35 per annum abandoned?

Mr. HAZEN:

1. Benjamin Ramey.
2. He was first employed for the fiscal year 1912-13. In 1913-14 he was paid $50 for the services required of him throughout the year.
3. In 1912-13, $40; in 1913-14, $50; in 1914-15, $51.
4. In 1914-15 he was paid $1.50 for each day he spent on patrol work. It was considered that this method of remuneration would result in more satisfactory work.

LIEUT.-COL. STRUAN ROBERTSON.

Mr. KYTE:

1. Was Struan Robertson, of Westville, Pictou county, N.S., commissioned Lt.-Colonel?
2. When was his commission gazetted?
3. What command in the overseas volunteer forces was given him?
4. When was Lt.-Col. Robertson relieved of his command?
5. Has Lt.-Col. Robertson any position in England under the Government of Canada at the present time?

Major General HUGHES:

1. Major S. G. Robertson, 78th Regiment, was provisionally appointed to command the 17th Battalion, Canadian Expeditionary Force, with rank of Lieut.-Colonel.
2. His commission was not gazetted. Commissions in the Canadian Expeditionary Force have not appeared in the Canada Gazette.
3. Command 17th Battalion, Canadian Expeditionary Force.

4 and 5. No data.

AMHERST POSTAL REVENUE.

Mr. SINCLAIR:

1. What were the receipts of the Amherst post office for each of the last three fiscal years?
2. How many employees have been engaged during those years, and what has been their respective salaries?
3. What were the receipts of this office for each of the three years previous to 1912, and what was the number of employees engaged during these years, and the remuneration paid to each?

[Mr. Hazen.]

Mr. CASGRAIN:

1. 1911-12, $21,892.84; 1912-13, $23,943.24; 1913-14, $24,753.58.
2. 1913-14. Letter carrier service was established at Amherst on the 3rd April, 1913, with eight carriers at $2 a day each, and the office was changed from the revenue to the semi-staff basis on the 1st October, 1913, with five clerks at $400 a year each and one messenger at $2 a day. The postmaster was given a salary of $2,000. For the years prior to the 1st October, 1913, the postmaster employed and paid his own clerks, and the department has no information as to the number he employed or the salary paid them.
3. 1908-1909, $19,549.37; 1909-1910, $19,246.10; 1910-1911, $20,082.31. As stated in answer to No. 2, the department has no information as to the number of employees in the office during these years, or the salaries paid them by the postmaster.

THE STEAMER NOREEN.

Mr. A. K. MACLEAN:

1. Is the steamer Noreen chartered by any department of the Government for service at Halifax?
2. If so, (a) who is the owner, (b) from whom is the said steamer chartered, (c) what services does the boat perform, (d) what is the price paid per day, (e) what are the number and the names of the crew, and (f) what wages do they receive?
3. Who provides the coal, oil and supplies?
4. (a) On what date was this steamer first chartered, (b) what is the total sum so far paid to date for such charter, and (c) how much money has been expended by the Government since then in the repair and maintenance of the said steamer?
5. Does the charterer or the Government pay wharfage charges?
6. (a) Was the Noreen formerly called The Lily? (b) If so, was she then condemned by the Government steamboat inspectors?
7. Did the Government sell the Lily? If so, when, and to whom, and for what price?

Mr. HAZEN:

1. Yes.
2. (a) Owner, A. B. Crosby. (b) Charterer, A. B. Crosby. (c) Is employed transporting Marine Department employees between Halifax and Dartmouth. (d) Price, $20 per day. (e) Charterer supplies crew of three men. (f) No information as to names or wages. Government provides one man to handle moorings, gangway and freight.
3. The Government provides coal and water, the charterer oil and supplies.
4. (a) 18th September, 1914. (b) 18th September to 28th February, $2,800. (c) Coal and water, $506. This vessel was employed August 31 to September 5, 1914, six days at

$25 per day transporting equipment from dockyard to Dartmouth. Owner provided crew and all supplies.

5. There are no wharfage charges.

6. (a) Yes. (b) To be answered by Department of Militia and Defence.

7. To be answered by the Department of Militia and Defence.

MONCTON SUBWAY.

Mr. COPP:

1. Did the Department of Railways call for tenders for the construction of a subway in the city of Moncton?

2. If so, from whom were tenders received, and what was the amount of each tender?

3. Has a contract been awarded? If so, to whom, and at what price?

Mr. COCHRANE:

1. Yes.

2. F. W. Sumner, Moncton, D. G. Kirk, Antigonish, and William Cooke, North Sydney, $69,992; Smith, Merrithew Company, Fredericton, $68,832.50; Henry J. Phillips, R. E. Mutch, Archibald McLean, Charlottetown, $66,501; E. B. Evans, Montreal, $65,593; F. L. Boone, St. John, $55,353.60; Messrs. Sherwood and Sherwood, Toronto, $49,834.70; Messrs. Charles Billy and W. A. Hall, Pembroke, $48,259.10; Kenneth McLaggan, St. Marys, John T. McBean, Nashwaak Bridge, and E. A. Bell, Fredericton, $47,525.90; John W. McManus Co., Ltd., Memramcook, $46,091; Messrs. Soper and McDougall, Ottawa, $45,866.60.

3. Yes. Soper and McDougall, at $45,866.60, their tender being the lowest.

WAR SUPPLIES—HAY AND OATS.

Mr. PROULX:

1. How many persons, firms or companies have contracted with the Department of Militia to press hay for the use of the Canadian and British forces?

2. Where is the hay being pressed?

3. Are the plants and machinery furnished by the department to the contractors, or do they furnish their own plants and machinery?

4. What price do they get per ton for pressing the said hay?

Major General HUGHES: Nil.

Mr. PROULX:

1. How many tons of hay were purchased in the county of Prescott since the 1st August, 1914, by the Department of Militia and Defence?

2. What was the price paid per ton?

3. Who purchased the said hay for the department, and what remuneration was allowed to the purchasing agents?

4. How many bushels of oats were purchased in the county of Prescott since the said date by the Department of Militia and Defence, and what was the price per bushel paid?

5. Who purchased the said oats, and what remuneration was allowed to the purchasing agent?

Major General HUGHES: No record that any hay or oats were purchased in the county of Prescott by this department.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. A. K. Maclean: For a return showing the names of all persons from whom lands have been purchased, the quantity of land so acquired, and the amount paid therefor, in connection with the Dartmouth and Dean's post office branch of the Intercolonial railway since the date of return numbered 128 made to Parliament at the last regular session thereof?

Mr. Boulay: For a copy of all agreements or contracts made by the Government of Canada with the Great North Western Telegraph Company, in virtue of which telegraphic apparatus have been placed in the towers and lighthouses belonging to the Government along the St. Lawrence.

Mr. Hepburn: For a return showing the number of steam vessels purchased by the Government from 1896 to October 15, 1911; where purchased, and from whom; the names of the vessels, and the prices paid; the number of steam vessels purchased by the Government from October 15, 1911, to February 1, 1915; where purchased, and from whom; the names of the vessels, and the prices paid.

WAR APPROPRIATION BILL.

On motion of Sir ROBERT BORDEN the House went into committee, Mr. Sevigny in the Chair, to consider the following proposed resolutions:

1. That it is expedient to provide that a sum not exceeding one hundred million dollars ($100,000,000) be granted to His Majesty towards defraying any expenses that may be incurred by or under the authority of the Governor in Council during the year ending the 31st day of March, 1916, for:

(a) The defence and security of Canada;

(b) The conduct of naval or military operations in or beyond Canada;

(c) Promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or otherwise; and

(d) The carrying out of any measures deemed necessary or advisable by the Governor in Council in consequence of the existence of a state of war.

2. That the Governor in Council be empowered to raise by way of loan, temporary or otherwise, such sums of money as are required for the purpose of making any payment authorized by any Act founded on these resolutions.

3. That the principal raised by way of loan under this Act and under the War Appropriation Act, 1914, and the interest thereon shall be chargeable on the Consolidated Revenue Fund.

Sir ROBERT BORDEN: The statement which has been given to me in regard to the expenditures by various departments of the

Government under the appropriation, up to the 30th January, 1915, is as follows:

Department.	Expenditure.
Justice	$ 10,900 14
Trade and Commerce	3,005,540 56
Militia and Defence	32,221,980 00
Naval Service	3,090,000 00
Dominion Police	101,024 27
Secretary of State	11,489 28
Privy Council	9,436 64
External Affairs	1,588 99
Post Office	15,000 00
Finance	147,333 33
Internment operations	60,365 63
Total	$38,674,658 84

It is possible that some other amounts may be required to be charged against this vote; for example, some further items of expenditure by the Department of Naval Service and possibly some items by the Royal Northwest Mounted Police. The Department of Finance is now preparing a statement to a later date, namely, to the 28th day of February, 1915. I shall have that ready by the time we are in committee on the Bill founded on this resolution, and I will then communicate it to the House.

Sir WILFRID LAURIER: We have no objection to offer at all. We may require some explanations with reference to these expenditures, but we can take that up on the naval and militia estimates.

Sir ROBERT BORDEN: Yes. I have asked the various departments to make a memorandum for me of all information that we could foresee as likely to be called for. If the right hon. gentleman would be good enough to give me a memorandum of any information which he would desire, and which perhaps we might not foresee, I will have special inquiries made as to that.

Sir WILFRID LAURIER: Of course, I am aware that in these matters there may be information that is confidential, and that I do not ask for. For instance, in regard to the first item, the "defence and security of Canada," I know that there have been patrols placed at different places, but I am not aware that anything else has been done. Then, in regard to "the conduct of naval and military operations in or beyond Canada," everything that has been done in connection with military operations we are pretty familiar with; but no information has been given to us so far as to the character of the naval operations that have taken place beyond the fact that two submarines have been purchased and that the Niobe and I think also the Rainbow have been put in commission.

Promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or otherwise.

If there has been any expenditure in regard to this particular matter we should expect to have full details of it.

Mr. A. K. MACLEAN: I suppose it would be quite agreeable if, on the naval and militia estimates, one were to make suggestions as to the method of expenditure, or departmental policy as to details, and to discuss it upon that occasion?

Sir ROBERT BORDEN: I would be very glad indeed to have some suggestions from my hon. friends on the other side of the House. As far as this vote is concerned, we regard it as not a vote for any particular department of the Government, and therefore as a vote as to which the Governor in Council has a special and important responsibility. Consequently the expenditures under it have been required to be authorized by Order in Council. That principle was necessarily departed from in the first two or three weeks of the war, because expenditures which were properly chargeable to this vote had been made before the vote was actually passed by Parliament. These expenditures were made principally by the Department of Militia and Defence, and the course taken was this. The department made a complete report of these expenditures, with, I think, all the important vouchers. That was presented to Council and was referred by Council to the Treasury Board, which made a pretty careful investigation into it as far as they were able to do so. Then, the report of the Treasury Board in regard to these expenditures was submitted to Council, and, if my memory serves me correctly, was ratified by Council. It was then provided by Order in Council, which I think was laid on the table of the House, that no expenditures under this appropriation should be made except under the authority of Council. That course has been acted upon since. I am obliged to my right hon. friend for his suggestions as to the information which is desired, and I must say that his request in that regard is entirely reasonable. I will ask the several ministers, who have had anything to do with the matters which he has mentioned, to be prepared with the necessary information when the House is in committee on the Bill.

As far as the defence and security of Canada are concerned, I might say one word at the present moment. In connection with the military defence of the country, of course there are many matters that are of a confidential character; but I should be very glad indeed, with respect to these confidential matters, to communicate any facts of importance to my right hon. friend or to any of the members on the other side of the House who might desire to be made especially acquainted with them. One subject that necessarily engaged our attention in the early part of the war was the security of public buildings and structures belonging to the people of Canada and under the control of the Government. The course which we took in that regard was this: An Order in Council was passed directing that any department of the Government which might think it necessary to have military protection for the buildings or works or structures in question, should communicate with the Department of Militia and Defence, and the department was instructed to provide, and undertook the responsibility of providing, any military protection which might be necessary. As far as other buildings, works or structures were concerned, it might happen that the department would feel that police protection would be more advisable than military protection. The same Order in Council provided that if such was the opinion of any department of the Government, then the minister, or the officers of that department, should communicate with the Minister of Justice, and the commissioner of Dominion Police was given all necessary power and authority to add immediately to the police force under his charge as might be necessary for carrying out the requirements of any department of the Government.

In regard to "the continuance of trade, industry and business communications," my colleague the Minister of Trade and Commerce (Sir George Foster) has had a great deal of work and a great deal of responsibility in that regard, as to which he will be prepared, either now or when the House is in committee on the Bill, to give full information to the House and to the country.

If any hon. gentleman on either side of the House should suggest that there is any information which it may be desirable to afford when the House is in Committee on the Bill, I shall be glad to have him mention it now or to send me a memorandum, and the Government will of course deem it its duty to afford all such information, so far as it is not of a confidential character.

Resolutions reported and concurred in.

Sir ROBERT BORDEN thereupon moved for leave to introduce Bill No. 87, for granting to His Majesty aid for Military and Naval Defence.

Motion agreed to, and Bill read the first time.

INSURANCE COMPANIES.

EXTENSION OF TIME.

On motion of Hon. C. J. Doherty (Minister of Justice), Bill No. 79, to authorize certain extensions of time to insurance companies, was read the second time, and the House went into Committee thereon, Mr. Sevigny in the Chair.

Mr. CARROLL: Does this apply to all insurance companies?

Mr. DOHERTY: The only modification made by this Bill is that it provides a method whereby a company that has not yet taken out its license, and which may be in a position where it expects to be able to do so before the next session may, upon payment of one hundred dollars, obtain an extension until next session from the Superintendent of Insurance. The reason for this Bill is that it was anticipated that present conditions might bring about applications for a large number of extensions by special Bill for each company, and it was thought desirable to avoid that by making a general provision in this Bill.

Mr. CARROLL: I wish to bring to the attention of the Minister of Finance a matter which is disturbing many of our business men in eastern Nova Scotia, and it is that the fire insurance underwriters in that province have given notice of their intention to increase the premiums by 30 per cent. I understand that there is no machinery under our law by which the Government can interfere, and that it has been the policy of all Governments to allow fire insurance companies a free hand in this matter, the reason being that there are numerous fire insurance companies in this country, and that they will in the ordinary course of business not unduly increase their premiums because of the competition. The fact is that in the various provinces insurance is controlled entirely by three or four men, and in that way any competition which there might be between the companies is avoided. I was speaking a day or two ago to the Superintendent of Insurance, who is a very cordial

gentleman, and who, I believe, understands his business thoroughly, and he tells me that fire insurance companies in the Maritime Provinces are losing money. It is a very serious thing for the business men in eastern Nova Scotian towns, Glace Bay, Sydney, and I think every town with the possible exception of Pictou, that they should be called upon to pay what I consider exorbitant fire insurance premiums. If the premiums received by these companies up to the present have enabled them to carry on business with a fair margin of profit, I think there should be some machinery brought into force by which they should be prohibited from attempting to raise the premiums to such an enormous extent as 30 per cent. I fear that very many business men will in consequence be unable to obtain the privilege of insuring their buildings and property. I suppose it really comes under the Department of Finance, but I would ask the Minister of Justice if there is no way by which these fire insurance companies, when they make application for renewal of their licenses, cannot have it brought forcibly to their attention that they should conduct their affairs on ordinary business principles, and that they are not to be permitted to increase the premiums so enormously. I would impress on the Finance Department the necessity of taking control over fire insurance companies, in so far as their premium rates are concerned. I have been receiving six or seven letters every day from towns in my constituency, containing protests against the insurance companies, and the people believe that there is power in the Department of Finance to control and regulate these premiums. I think it would be a good thing if the Government would take such power at the very first opportunity. Fire insurance companies are institutions which are absolutely necessary in the business life of the community, and when we give them extensive privileges to do business they should not be allowed to do anything like charging exorbitant insurance premiums. There is not the great necessity for persons carrying life insurance as there is for business men carrying fire insurance, and consequently the life insurance companies and fire insurance compaies are not in the same position, but in my view there certainly should be some control over the fire insurance companies. I am taking this opportunity of bringing this matter to the attention of the Government, because perhaps an opportunity may not arise again. The Superintendent of Insurance told me that he would send me a statement showing the business standing of the insurance companies in the Maritime Provinces; and when I get that, I would like to submit it to the Minister of Justice for his perusal. If he thinks they are going beyond what is a fair business proposition in raising those rates, the department should take the matter into consideration.

Mr. DOHERTY: The present Bill merely provides a method of extending the time for the taking out of licenses by companies which have not already taken them out. I am not aware of anything that can be described as a combine amongst the companies to raise rates unduly. If there were, it might be possible for some action to be taken. Furthermore, so far as my information goes, I do not believe that fire insurance companies are making a great deal of money out of their business at the present rates. Should, however, the hon. member obtain the information that he hopes to obtain, and communicate it to me, as he suggests, I shall be very glad to look into it and consider whether there is any possible action that would be called for and justified in our department.

Section agreed to.

Bill reported, read the third time and passed.

CUSTOMS TARIFF WAR REVENUE BILL.

On motion of Hon. W. T. White (Minister of Finance), Bill No. 75, to amend the Customs Tariff, 1907, was read the second time, and the House went into committee thereon, Mr. Sevigny in the Chair.

On section 1—Short title:

Mr. PUGSLEY: Before we take into consideration the different sections, I would like to call the attention of the Minister of Finance to the question of the duty upon fertilizers. I was very much pleased at the Minister exempting fertilizers from the increase in the duty and restoring nitrates to the free list and also putting some of the ingredients of fertilizers upon the free list; but I would respectfully urge upon him the desirability of putting manufactured fertilizers upon the free list, that is, of going a little further than he has gone. It would be in the interest of the country if that were done. A very earnest and energetic campaign is being made by the officials of the Department of Agriculture in regard to increased production. In view of the necessities of the country and of the Empire so far as foodstuffs are concerned, even householders

who have opportunities for gardening are urged to go into the raising of vegetables. I noticed within a day or two an advertisement issued by the Department of Agriculture urging those who have back yards even to utilize them as vegetable gardens. Such work cannot be done with any degree of success except by the use of fertilizers. The duty is not very large—only some $60,000; but it is paid very largely by the farmers in the Maritime Provinces. I do not think that, in proportion to the population, fertilizers are used to the same extent in Ontario as in the Maritime Provinces. In the West they are hardly used at all; but to the farmers and gardeners in the Maritime Provinces the question is a most serious one. The duty at present amounts to something over $2 per ton. That is quite a burden upon the farmers. At this time, when such an effort is being made on the part of the Department of Agriculture to stimulate the farmers to increased production, it is desirable to grant this request. I have been urged by those who take an interest in the subject to bring the matter again to the attention of the Government. I do it in the hope that it is not too late to consider the matter favourably. I am informed—and I have no doubt that it is the case—that this is the only country in the world which imposes a duty upon fertilizers. In the Commonwealth of Australia, not only has the Government made fertilizers free, but the Government railways carry fertilizers to the farmers absolutely free of any charge whatever. In view of that, this Government might very well act upon my suggestion and place fertilizers upon the free list.

Mr. W. T. WHITE: As my hon. friend knows, the Government has exempted from the operation of the war tax both unmanufactured and manufactured fertilizers. Under item 662, unmanufactured fertilizers, including phosphate rock, German potash salts and German mineral potash, bone-dust, charred bone and bone ash, fish offal or refuse and animal or vegetable manures, are left as they were upon the free list. Under item 663, fertilizers compounded or manufactured, n.o.p., were formerly subject to a duty of 10 per cent general and 5 per cent British preferential. I think that item is left as it was.

Mr. PUGSLEY: My remarks are based upon that item.

Mr. WHITE: Therefore, the former tariff is in effect so far as manufactured and unmanufactured fertilizers are concerned. The Government also, as my hon. friend has observed, has exempted from the operation of the war tariff rate acid phosphate of lime, sulphate of ammonia, nitrate of soda, muriate and sulphate of potash, imported to be used for fertilizing purposes. With regard to the latter item, some of these articles are manufactured in Canada. The duty upon the compounded fertilizers of 10 per cent general and 5 per cent British preferential is a very small duty. It has been in the tariff for some time. My hon. friend, I hope, has not overlooked the fact that there are a number of establishments in Canada engaged in the manufacture of fertilizers. By reason of the war taxation that we are imposing, the cost of manufacturing these goods is increased. If the duty was not unfair to the consumer before, and as we have increased the cost to the manufacturer of fertilizers in Canada, our allowing the tax to remain as it was is certainly not unfair to the consumer. The Canadian manufacturer has to compete with the American manufacturer in the Canadian market. The amount of duty is not large. I am satisfied that the farmers would not have complained, having regard to the object of this extra taxation—to provide revenue for war purposes or for the purposes of Government in time of war and due to the exigencies of the war—had we allowed the proposals to stand as they were. But, having regard to the fact that the Department of Agriculture was carrying on this propaganda which has been referred to by my hon. friend, and that it had been drawn to our attention in connection with that propaganda that it might facilitate the work of the department and increase production this year, we are glad to take the action which I have described and exempt from the war tariff rate the fertilizers, manufactured and unmanufactured, that I have mentioned. Giving the matter the best consideration of which I am capable, I think our action will not be complained of by the agricultural community, but that, on the contrary, they will approve of what we have done. My hon. friend will not overlook the fact, I am sure, that there are in Canada numerous establishments engaged in the manufacture of fertilizers and employing a great number of men. It will be hardly fair to diminish the very small rate of duty at present existing under the tariff of 1907, especially in view of the fact that we are increasing the cost to these manufacturers

of their coal, their machinery and other things used in connection with their enterprise.

Mr. PUGSLEY: I do not know that my argument would raise the question whether the farmers would complain or not. That is not my point; my point is that agricultural production should be stimulated by this Government. We cannot stimulate production merely by advertising in the newspapers. If we wish the farmers to produce more, the way to stimulate their production is to assist them and to cheapen the cost of implements and the other things they have to use, including fertilizers.

12 noon. I believe that the Government will spend in this campaign for increased production a larger sum of money in preaching to the farmers than the whole duty on fertilizers will amount to. You can stimulate production much better by putting fertilizers on the free list. My hon. friend speaks of the manufacture of fertilizers in Canada. I do not believe that the principle of protection should be considered at all in the question of plant food, that which gives life and growth to plants, and fertilizers are essentially plant food. I believe they should be absolutely free from duty, and the farmer should be permitted to purchase fertilizers wherever he can get them and at the lowest possible cost.

Mr. W. T. WHITE: Fertilizers were plant food in 1907, and in the years up to 1911, just as much as they are plant food to-day. But the hon. gentleman seems now to have suddenly reached the conclusion that fertilizers are plant food and should be entirely exempt from custom duties. He says he has not called attention to this matter by reason of any consideration of whether the farmers will complain or not. It is perfectly obvious to me why he has called attention to it. I thought we had concluded the political discussion of these tariff duties on the second reading of the Bill. But if the hon. gentleman wishes to discuss the question of what this Government has done for the farmers compared with what the former Government did, I will be ready to go into that now or at any other time. I confess it does not seem to me particularly desirable to do so. The Budget I have brought down is a budget eminently favourable to the farming community. The hon. gentleman is aware that this Government last year reduced the duty on harvesters, reapers, binders and mowers from 17½ per cent to 12½ per cent. In explaining to the House that we have exempted these items from the war tariff rate, I explained also that we were ready to do it because of the drawback to the manufacturers of these implements upon the amount of duty paid in respect of raw material entering into the production. The tariff proposals which we have brought down also exempts binder twine. I have pointed out that fertilizers, manufactured and unmanufactured, have been left precisely as they were—in other words, they have been exempted from the operation of the war taxation. I should also mention the exempting of ditching machines. I may say in a word that the tariff proposals are made having regard to the promotion of agriculture, which this Government has always had very much at heart. If my hon. friend has any doubt as to that, I would suggest that he look at the Estimates of expenditure on agriculture under this Government, as contrasted with their predecessor. Nor will he fail to bear in mind the ten million dollar Agricultural Bill introduced and carried into legislation by my hon. friend the Minister of Agriculture (Mr. Burrell). I do not agree with my hon. friend from St. John City that nothing can be done by urging increased production. I am of the opinion that a great deal can be done by urging increased production, on the ground that at this juncture of the Empire's affairs it is a patriotic duty as well as an economical advantage to increase production. I think there has been a splendid response to the appeal made by the Department of Agriculture and the Government for increased production in Canada during this year; and I shall be very much surprised if results are not exceptionally striking when the returns of this harvest come in. The Department of Agriculture will continue its propaganda, and, as I say, I think its effects will be very striking. So far as the tariff proposals are concerned, I am anxious to avoid, if possible, the discussion of political questions in committee, but if my hon. friend desires that the issue shall be discussed now, I am prepared to discuss it, as I was prepared to discuss it when the resolutions were under debate in the House.

Mr. PUGSLEY: I raised no political question; I simply raised my voice on behalf of increased production in this country, yet I am met with an intimation from my hon. friend that if we attempt to make any suggestions to the Government as to improving the condition of the farmers and

relieving them from the burden which the tariff imposes upon them, we will be charged with discussing political questions and my hon. friends be tempted to enter into a long disquisition as to what the Government has been doing for agriculture.

Mr. W. T. WHITE: My hon. friend has a perfect right to raise any question he desires; I am not challenging his right to do so.

Mr. PUGSLEY: Then why does my hon. friend lecture me when I raise the question? My hon. friend says that the Government have considered this tariff and, in effect, that they have made up their minds that they will not budge one iota from the position that they have taken, no matter what suggestions may be made. My hon. friend had that same frame of mind when the Budget was brought down, but before the discussion was over he was compelled to budge from his position and to grant concessions and to make reductions and exemptions. Although I am a member of the Opposition, and in the minority, I represent a large portion of the people of Canada, and it is my duty to submit for the consideration of the Government any views which I entertain with reference to the tariff or to other matters.

Mr. W. T. WHITE: I agree with my hon. friend in that.

Mr. PUGSLEY: While I agree with the minister that the propaganda which is being carried on by the Government in favour of increased production is a good one, I wish to point out that the farmers will engage more heartily in the work of increased production—which means more machinery, the employment of more team work and of more help, and the buying of more fertilizers—if the cost of such production is reduced to the lowest possible figure. The Government are spending a larger sum of money in advertising this propaganda in the newspapers than these duties upon fertilizers will amount to; if they really want to stimulate production they will place fertilizers on the free list. My hon. friend says that fertilizers were plant food some years ago, just as they are to-day. So they were, but some years ago there was not, from the standpoint of Empire, the demand for increased production in Canada that there is to-day. It is poor policy for the Government to plead with the farmers to engage in increased production and at the same time to tax them for the plant food which is necessary to bring about that increased production. That is the argument which I make, and my hon. friend cannot turn the attention of this House or of the people of Canada from that question by saying that I am introducing politics. I appeal to the minister in good faith and with the utmost earnestness that he take into consideration the advisability of doing away with this burden upon the people. At this time, when the production of foodstuffs is of enormous importance, surely it is an invidious and deplorable position for Canada to be placed in that she is to-day the only country in the world which imposes a duty upon fertilizers. I believe that every country in the world admits fertilizers absolutely free of duty, recognizing that it is in the interests not only of the farmers but of the whole country that plant food should be placed at the disposal of the farmers at the lowest possible cost.

Mr. ROBB: Will duty be collected on f.o.b. basis at point of purchase or on value established where the goods cross the frontier?

Mr. W. T. WHITE: I am unable just at the moment to quote the precise words of the Act, but duty will be collected upon the fair market value of the goods in the country of origin or at the place of export. If the goods were bought in New York, the duty would be imposed upon the fair market selling price of the goods in New York.

Mr. ROBB: The other evening in discussing the Budget, the hon. member for Calgary said that cement can be purchased in England at 60 cents a barrel and in the United States at 80 cents a barrel. Would duty be collected on cement coming into Canada on the basis of 60 cents a barrel, or would the cost of freight be added to that to establish the value for duty purposes? During the few days that the Government were collecting duty on cotton seed meal, I had complaints from a Canadian purchaser of that commodity who had purchased cotton seed meal at $29 delivered in Montreal. Cotton seed meal had been worth $24 f.o.b. at point of shipment in the South, but owing to an advance in price, when it reached Montreal the price was $29 delivered. The Customs Department collected duty on the basis of a valuation of $34. Will this method be followed when the new tariff goes into operation?

Mr. W. T. WHITE: The Government has not changed the basis upon which the new

tariff will operate; it will be subject to the provisions of the Customs Tariff of 1907, of which it is an amendment. I am unable to express an opinion upon the particular question to which my hon. friend draws attention, for the reason that I have not all the facts before me; it is a matter of administration by the Customs Department. Referring to the question of the purchase of cement in the United States or Great Britain, the duty would be levied upon the selling price at the place where the goods were bought. If the cement were bought in England or in the United States, a customs entry would be made showing the cost price at which the cement had been bought, and subject to the dumping provisions of our legislation, duty would be imposed upon that cost. Of course the consumer would have to pay freight, but customs duty is not imposed upon freight charges.

Mr. ROBB: The minister can see from his own statement that during the few days the Customs Department were collecting duty on cotton seed meal they did not collect the duty on the basis now laid down by the minister, because this cotton seed was originally purchased at equal to $24 f.o.b. in Tennessee. In the meantime cotton seed meal advanced, it is true, and the department ruled that the fair market price of cotton seed meal in the states of Vermont and New York where it crossed the border was $34. They collected the duty on a valuation of $34, but even after that ruling the freight was $5 a ton, so that the value of that cotton seed meal should not have been placed at $34, but at not more than $299 a ton.

Mr. W. T. WHITE: I should not like to be taken as expressing any opinion upon a particular transaction. The Commissioner of Customs is an exceedingly well-posted man, and I am quite satisfied there would be some explanation of the action taken by the Customs Department in the case referred to by my hon. friend. If he is interested in pursuing the subject, I would refer him to the Customs Act.

Sir WILFRID LAURIER: I have always understood, and I know that it is so, that the duty is collected upon the selling price in the country of origin. In the case which has just been called to my hon. friend's attention, the country of origin of cotton seed meal is the United States, the place of origin being the state of Tennessee, and there the price was $24 a ton. But the United States is a very large country, and it may be that the Vermont price would be very different from the Tennessee price. I would imagine that under such circumstances the ruling price of the customs appraisers would be the price paid in Tennessee, not that paid in Vermont. There may be some cases that would have to be investigated, but I would imagine that it ought to be the ruling price in the place of origin that would govern for purposes of valuation.

Sir GEORGE FOSTER: I think that would lead to a great deal of difficulty and a good deal of imposition. The country of origin is what rules, not the single locality in which the article is sold to the purchaser who brings it into Canada. My hon. friend will easily see that otherwise mistakes would be apt to happen. In the first place, it would be almost impossible to have any uniformity in the tariff, so far as the imposition of duty is concerned, if you had recourse and reference to each separate locality. That would be a great deal of trouble and make the tariff almost unworkable. You might have in a single locality a set of circumstances in reference to which the ruling average selling price would be cut down on account of special circumstances, and that would scarcely be fair. My right hon. friend is exactly right, it is the country of origin that rules; and where you have different localities in a country there is some machinery by which the Customs Department gets at what is the fair average value.

Sir WILFRID LAURIER: Such a ruling would be very unfair in a country as large as the United States. It is impossible that an article of this character which is produced in only one locality can have the same ruling price in the north as in the south; there must be a difference, and under some circumstances it seems to me that the country of origin ought to be limited to the place where the article is grown or manufactured.

Sir GEORGE FOSTER: They have no doubt some general ruling in the Customs Department which they follow.

Mr. WHITE: I think they have.

Sir WILFRID LAURIER: Here is a case in point. The hon. member for Huntingdon represents that an article which was purchased for $24 a ton in Tennessee, when it came to be appraised was appraised at $34.

That is an advance of $10. There is something there which cannot be explained here, and I would advise my hon. friend to go to the Commissioner of Customs and see what is the reason.

Mr. ROBB: The matter will be made right because now the Government have notified importers that they are going to refund the duty and there will be no loss. But the United States imports large quantities of Canadian bran, and the Ontario millers practically are cut out of that business so long as the man west of the Great Lakes has bran to sell because the duty, I think, is now 10 per cent—it used to be 20 per cent—and the bran is sold on a basis of f.o.b. Fort William and on that basis Washington rules they should collect the duty; whereas when bran would be $16 Fort William, the Montreal miller would have to sell it at $19 Montreal, so that it practically shuts out the eastern man.

Mr. WHITE: Section 40 of the Customs Act says:

> Whenever any duty ad valorem is imposed on any goods imported into Canada, the value for duty shall be the fair market value thereof, when sold for home consumption, in the principal markets of the country whence and at the time when the same were exported directly to Canada.

What I said therefore must be taken as subject to this section of the statute, which govern the Customs Tariff, 1907, and will govern in the case of this special war taxation. We are not changing the basis upon which the taxation is levied.

Mr. SCHAFFNER: That means the retail market price, I suppose.

Bill reported, read the third time, and passed.

SPECIAL WAR REVENUE BILL.

On motion of Hon. W. T. White (Minister of Finance), Bill No. 76, to supplement the revenue required to meet war expenditures, was read the second time, and the House went into committee thereon, Mr. Sevigny in the Chair.

On section 1—Short title:

Mr. A. K. MACLEAN: Is it the practice to use the word "war" in such a Bill, or merely to designate it as a revenue Bill? I am not objecting.

Mr. WHITE: The Government's view is that this is a war revenue measure; that view has been advanced in the debate on the resolutions, and we think that this might properly be called "The Special War Revenue Act, 1915."

Mr. MARCIL: Although no part of the revenue will be used for war purposes?

Mr. WHITE: My hon. friend, I am sure, does not desire that we should traverse the ground we went over in the debate.

Sir WILFRID LAURIER: No, we will not open up old sores; let us go on.

On section 4, paragraph 3—tax on trust companies upon gross amount of interest and income:

Sir WILFRID LAURIER: Why do you say that every company carrying on business shall pay a tax upon the gross amount of "interest, the property of the company, from loans and investments in Canada"?

Mr. WHITE: There are a number of loan companies carrying on business in Canada which have their offices, let us say, in the United Kingdom, and which carry on the major part of their business in some other part of the world. It was thought we should levy the taxation only on the interest from those investments in Canada.

Sir WILFRID LAURIER: If a Canadian company derives interest from its investments on its business outside of Canada, what then?

Mr. WHITE: They are not taxed in respect of that business; they might, of course, be taxed abroad.

Sir WILFRID LAURIER: I think some companies tax Canadian investments abroad.

Mr. WHITE: I am not aware of that.

Mr. CARROLL: Would the definition of a loan company include an insurance company which lends money on the hypothecation of a policy, for example?

Mr. WHITE: The power of an insurance company to loan money is an incidental power; an insurance company is not incorporated for the purpose of making a mortgage loan. By the provision of the Act passed last year, it is left to the Minister to determine whether a company is a loan company or not, and I would rule that an insurance company carrying on business in the ordinary course is not a loan company.

On section 5—Insurance premiums other than life:

Mr. CARROLL: Is there a penalty on any insurance company doing business in Canada without taking out a licence?

Mr. WHITE: Under the Insurance Act they are required to take out a license.

Mr. CARROLL: Is there any penalty?

Mr. WHITE: I think there is under the Insurance Act.

Mr. PROULX: Would the selling of annuities be included under "other business"?

Mr. WHITE: Offhand, I should think that is not insurance business.

Mr. PROULX: Some of the life insurance companies sell annuities.

Mr. WHITE: That is connected with the business of life insurance.

Mr. A. K. MACLEAN: The minister would have to decide that.

Mr. WHITE: I would not like to give an opinion offhand, but I do not think it would apply.

Section agreed to.

On part 2, section 8, subsection 3—charged and collected by company:

Mr. MARCIL: If the client pays the tax, what does the company pay?

Mr. WHITE: If the client pays the tax, the company will not pay anything at all. The company is made primarily liable, but it will collect from the client.

Mr. MARCIL: Is there the same rate on a 50-cent message as on a message costing $100?

Mr. WHITE: Yes.

Mr. MARCIL: Is that fair?

Mr. WHITE: I pointed out the other day that it is not advisable that cable messages should be enhanced in cost to the public.

Mr. MARCIL: There is a discrimination against the poor people. Large corporations get cable messages frequently, but poor people get them very rarely. Very often a poor person will get a message announcing the death of some one or some other very important event. On the north shore of the St. Lawrence, on the Gaspé peninsula, on the Magdalen islands and in parts of British Columbia, there are Government telegraphs. I do not think the minister settled the point last night as to whether or not tolls would be exacted on messages coming over those Government lines.

Mr. WHITE: I am of the opinion that the tolls would not be payable because by this Bill we have not made the Crown specifically liable to pay them.

[Mr. Carroll.]

Mr. A. K. MACLEAN: The Government would require power to recover this tax from the sender of the message; otherwise it would have no authority.

Mr. WHITE: Yes.

Mr. ROBB: Will the minister tell us under what basis of equity he imposes an extra tax upon postage and upon telegrams and exempts telephones?

Mr. WHITE: I thought I explained that here the other day. No doubt my hon. friend was absent from the House on that occasion.

Sir WILFRID LAURIER: He was present, but he was not convinced.

Mr. WHITE: At all events, I gave the explanation. We had under consideration the question of taxing telephone messages throughout Canada.

Mr. MARCIL: The minister means long-distance messages.

Mr. WHITE: I am speaking of telephone messages generally. There are joint stock companies engaged in the telephone business; there are co-operative telephone companies, and in the three western provinces there are Government-owned telephone lines. We do not think it desirable to tax the co-operative telephone companies, nor to attempt to tax, because it is doubtful whether we have the power, even if we so desired, the Government-owned telephone lines. Having regard to these considerations, we thought it would be undesirable to place a tax upon telephone messages. After all, whatever benefit comes from our refraining from imposing such a tax will belong to the public, because they will not be charged.

Section agreed to.

At one o'clock, the committee took recess.

The Committee resumed at three o'clock.

On section 9, subsection 2—tax on railway and vessel tickets or right of transportation:

Mr. GRAHAM: How will the charge be made on commutation tickets?

Mr. W. T. WHITE: It will be on the price paid for the commutation ticket. If the commutation ticket costs $2, the tax will be five cents.

Subsection agreed to.

On section 9, subsection 18:

If, by reason of non-compliance with any of the requirements of this section, any sum of

money required by its provisions to be collected and paid is not so collected and paid, the person selling the ticket, right, berth or seat shall nevertheless be liable to pay such sum: provided that nothing in this subsection shall be construed to impose any liability upon the Government of a province.

Mr. MACDONALD: What is the meaning of the limitation that nothing should impose any liability on the Government of a province? Does that mean that the duty of prosecution shall not rest on the Attorney General of the province?

Mr. WHITE: Take the case of a province operating a line of railway. The taxation is imposed upon the purchaser of the ticket, and the person selling the ticket must make the return; but it is questionable whether it would be open to the Dominion Government to impose this taxation upon a province operating a line of railway. It was to make that clear that this provision was inserted.

Section agreed to.

On section 12—stamp duties on cheques and certain other instruments:

Mr. WHITE: There are certain modifications which I have to suggest in this part of the Bill. So far as they relate to section 12, which covers stamp duties on cheques and certain other instruments, the following explanation may be helpful to the committee:

Stamps on cheques and other instruments had, as the Bill stood on first reading, to be affixed and cancelled by the person issuing the cheque. Such cancellation was to be effected by the party writing on or across the stamp initials or other marks of identification, together with the date of such writing. With the change the stamp will still be affixed by the party issuing the cheque, but the cancellation will not be effected until the cheque reaches the bank for payment, when by simply impressing lines across the stamp at the time of payment the bank will cancel it. We desire to avoid inconvenience to the public. I think the explanations will be readily comprehended by the committee.

Mr. MACDONALD: Would the minister mind repeating that? The wording is somewhat obscure towards the end?

Mr. WHITE: In the United Kingdom, as my hon. friend knows, there is a stamp tax on cheques and promissory notes and bills of exchange. There is a provision in their legislation whereby those stamps are to be affixed by the party drawing the cheque or bill of exchange or promissory note; and he is required to cancel the stamp by writing across it his initials, together with the date on which it is cancelled. The legislation there, I believe, is general. Our legislation is confined to the case of cheques drawn upon banks, as defined in the Act, and promissory notes and bills of exchange negotiated through banks. In order to avoid inconvenience to the public—because it is an inconvenience for a man issuing a cheque or a promissory note or bill of exchange to write his initials across the stamp and the date on which the stamp is cancelled—it occurred to us that we would simplify matters by providing, as I have indicated here, that the party drawing the cheque or bill of exchange or promissory note should affix the stamp but that it should be cancelled by the bank paying it or negotiating it, just as the postmaster cancels a stamp upon a letter.

Sir WILFRID LAURIER: That is an improvement.

Mr. WHITE: Therefore, if the committee will permit, I should like to move these amendments:

In subsection 2 of section 12, in the fourth line, after the words "of the value of two cents," strike out the remainder of the subsection and insert:

Every adhesive stamp affixed to a cheque shall be cancelled by the bank at which the cheque is payable at or before the time of payment.

The following amendment to subsection 3, line 38, after the first word, "and," strike out the remainder of the subsection, and insert:

Every adhesive stamp affixed to a bill of exchange or promissory note transferred or delivered as aforesaid shall be cancelled by the bank at the time of transfer or delivery.

In subsection 4, line 5, all after the word "and" near the end of the line is to be struck out and the following inserted:

Every adhesive stamp affixed to such receipt shall be cancelled by the bank at the time the money is paid.

In subsection 6, in the 4th line, after the word "Part," insert: "Or authorized to be used in lieu thereof"; and in line 24, after the word "stamp," strike out:

By writing on or across the stamp initials identifying the bank, together with the date of such writing.

In subsection 7, line 30, after the words "two cents," strike out the remainder down to the words "shall be liable to a penalty not exceeding fifty dollars."

In subsection 8, line 45, after the words "two cents," strike out the remainder of the subsection down to the words: "Shall be liable to a penalty not exceeding fifty dollars."

In subsection 9, line 9, strike out the words "and over" and the remainder of the subsection down to the words: "Shall be liable to a penalty not exceeding fifty dollars."

Then, strike out subsection 11 and insert:

Every bank which omits or neglects to cancel, in accordance with the requirements of this section, the adhesive stamp affixed to (a) a cheque, a bill of exchange or promissory note, (b) a receipt for money, shall be liable to a penalty of $100.

I am sorry that all these changes are necessitated by the modification in principle which I have explained to the committee.

Mr. GRAHAM: It is better to change them than to let them go through.

Sir WILFRID LAURIER: The change is certainly an improvement. It will save a lot of worry to those who have to affix the stamp, and the revenue cannot suffer from it, because a cheque cannot be paid until the stamp is erased. But I rose especially to call the attention of the minister to paragraph 4 of section 12:

"Bank" means any one receiving money he repays by honouring the cheques of the person from or on whose account the money was received.

Is it the intention of the minister that this should apply to country merchants or notaries public such as we have in the province of Quebec, who receive money on deposit, or to whom will it apply?

Mr. WHITE: If any one acts as a banker, if he holds money on deposit for his customers subject to cheque, the Act will apply. Otherwise you would have one law applying to banks and financial institutions and another to private individuals receiving money upon deposit. That would hardly be fair. We gave the word "bank" a wide definition, so as to cover not only the chartered banks but banking institutions and private bankers receiving money upon deposit subject to cheque.

Sir WILFRID LAURIER: The difficulty is to know where to draw the line. I understand very well that every one who acts as a private banker, or who receives money on deposit and who does a regular banking business, should be subject to this Act, but my hon. friend is aware that in the province of Quebec merchants and notaries are in the habit of receiving money on deposit. Is it intended that they should also be subject to this Act?

Mr. WHITE: The test of a bank, as I understand it, is that the party receiving money on deposit undertakes to pay by honoring the cheque of his customer. If a private individual receives money on deposit subject to cheque, he will be regarded as a banker. If. on the other hand, he receives money which he repays in some other way than by honoring the cheque of his customer, or if he has engaged to pay in some other way than by honouring the cheque of his customer, I would say that he would not be a banker.

Sir WILFRID LAURIER: I am afraid that will lead to some confusion.

Mr. GERMAN: According to the reading of the Act it appears that every man who has money in the bank on current account, and who is chequing it out in amounts of $5, $10 or $20, has to put a stamp on every cheque that he draws in order to get his own money out of the bank in which he has deposited it for safekeeping or as a matter of convenience.

Mr. WHITE: Yes, the Bill imposes a stamp tax upon a transaction of that kind.

Mr. GERMAN: Does not my hon. friend appreciate the fact that that will prevent people from depositing their money in the bank? A man will not put money in the bank if he has to pay to get it out.

Mr. WHITE: The hon. member for Red Deer (Mr. Clark) will be able to tell my hon. friend (Mr. German) that there are probably more deposits than in any other place in the world in a tight little Kingdom in which the stamp tax has been known for a considerable time. We made pretty careful inquiries as to the effect of this tax, and it has been found that no such untoward results as those feared by my hon. friend have ensued.

Mr. MICHAEL CLARK: It is a very great pain to me to disagree with my deskmate (Mr. German), but I am bound to say that if a man puts money in the bank he does not put it in to take it out. He should leave it there and then he will only pay upon cheques when he issues to other people.

Mr. GERMAN: I have not very much to put there, but I will not put in any more if I have to pay to get it out.

(c) "Promissory note" does not include notes of a bank payable to bearer on demand and intended for circulation.

Mr. MACDONALD: You do not give any definition of a cheque as distinguished from an order. Is that necessary?

Mr. WHITE: I think no such specific definition is required of the word "cheque." A cheque, of course, is a bill of exchange, but it has also a special, popular meaning as a bill of exchange drawn by one who has credit, or a deposit, with a financial institution. My Assistant Deputy informs me that in the Bills of Exchange Act, the word "cheque" has a definite meaning assigned to it.

Mr. MACDONALD: I think there is a definition there, but my hon. friend has modified the usual definitions with reference to "bill of exchange" and "promissory notes." There might be confusion in regard to what would popularly be called an order. Take the case of a merchant doing a general business who receives orders as against either credit or actual money. Orders of this kind might be on his books to the credit of persons with whom he was doing business. Would each one of these orders, which, technically, are cheques, be subject to taxation? Technically, under the wider definition of the word "bank," a person who receives money and pays it out either in pursuance of an order or of a cheque would be within the meaning of the Act.

Mr. WHITE: The only thing we are taxing is a cheque drawn upon a bank as defined in the Act. A bill of exchange may be drawn upon A by B either for value received or in case A has an understanding with B whereby he may avail himself of the credit he may thus obtain. We are imposing the Stamp Act upon a bill of exchange of that kind only if it is negotiated through a bank. We apply the same principle in the case of a promissory note which, as my hon. friend knows, is different from a bill of exchange technically considered.

Mr. MACDONALD: Take paragraph iv of section 12 and see how it works out in the actual business of the country. A bank is defined by paragraph iv of section 12 as

—any one receiving money which he repays by honouring the cheques of the person from or on whose account the money was received.

Take the case of a solicitor or notary who might have in his hands a sum of money for distribution. The person who would be entitled to that money would give an order to some other person to receive it or there might be numerous orders. Technically, would that not come under the meaning of subsection 4; would not the custodian of the fund who paid it out be a person who had received money which he had repaid by honouring a cheque?

Mr. WHITE: It refers to money paid by a bank.

Mr. MACDONALD: I refer to the definition of "bank" in subsection iv.

Mr. WHITE: That is intended to cover the case of an individual who is acting as a banker, who receives money on deposit which he repays by honouring the cheque of the person owning the money.

Mr. MACDONALD: But it does not say "receiving money on deposit."

Mr. WHITE: He pays cheques drawn upon him.

Mr. MACDONALD: That in ordinary parlance is an order.

Mr. NESBITT: Do I understand that drafts in the ordinary course of business would have to be stamped?

Mr. WHITE: Yes, if they are negotiated through a bank.

Mr. NESBITT: They are all sent to banks.

Mr. WHITE: Then they would be subject to the tax.

Mr. NESBITT: If I am administrator of an estate and I gave a cheque to the heirs, I would have to stamp the cheque?

Mr. WHITE: Yes, if it is drawn on a bank.

Mr. MARCIL: What about promissory notes of exchange between individuals that never go to a bank?

Mr. WHITE: Notes between individuals not negotiated through a bank are not subject to the tax.

Mr. J. J. HUGHES: What about receipts as between individuals?

Mr. WHITE: They are not subject to the tax unless it be a receipt for money received from a bank.

Mr. GERMAN: Why should not the notes between individuals be subject to the tax as well as those that go through a bank?

Mr. WHITE: There are a number of transactions throughout the country in districts where they may not be aware of the law, and where the transactions are small, and it was thought they might be exempt on the ground of convenience. The revenue derived would be small and there would be great difficulty in enforcing the legislation.

Mr. MARCIL: Where will these stamps be on sale?

Mr. WHITE: They will be on sale with postmasters and Inland Revenue officers, and others, as may be found necessary.

Mr. MARCIL: There are some sections of the country where there are no banks and it would be a great inconvenience to tax the people there.

Mr. MACDONALD: The definition of the word "bank" is pretty wide; where is the limitation?

Mr. WHITE: I am informed that the definition here is the true legal definition of a bank.

Mr. MACDONALD: I am not very clear as to how far that definition goes. I suppose that the words "any other body corporate" would apply to a trust company that receives deposits. Suppose I as a solicitor had money in my custody, and a person sends me an order which may be a cheque legally, would I be justified in refusing to pay that order or cheque unless there was affixed to it a stamp?

Mr. WHITE: I am quite clear that a firm of solicitors would not be a bank under the provisions of the Act. If an order were given for payment by an individual, that order is not a cheque. A cheque is defined in the Bills of Exchange Act, and this Act as an instrument drawn upon a chartered bank, or upon a body corporate receiving money and honouring cheques for the person on whose account the money is received. An individual is a person who receives money which he retains to be honoured on a cheque. My hon. friend has no difficulty about a chartered bank and a corporate body which acts practically as a bank, but then we get to the case of the private banker, who may be in competition with a loan company, or a trust company, or a chartered bank. There are private banks in different parts of the country which receive money on deposit, and they honour the cheques of their customers and under the English law they are undoubtedly carrying on a banking business, and we have sought by this definition to embrace them, because otherwise their customers would enjoy an advantage over the customers of banks and those other corporations which carry on practically a banking business. I can assure my hon. friend that there will be no attempt to enforce this Act as against a firm of solicitors acting merely on the order of some party to pay money, because that in my opinion would not be a cheque.

Mr. MACDONALD: A practice exists in some of the eastern provinces where parties take a large number of promissory notes for articles sold at a sale, and they go to an individual to discount these notes which are usually for nine months or a year. Should the party who discounts these notes insist upon a stamp; would he be a banker within the meaning of the law?

Mr. WHITE: No.

Mr. MACDONALD: Then there is no reason why any one should not carry on the business of discounting notes without taking them to a bank at all, if he was able to recover them outside a bank?

Mr. WHITE: If a bank is not concerned the taxation is inoperative.

Mr. MACDONALD: I quite agree with that, but the trouble is as to the limitation.

Mr. WHITE: This refers only to an individual who receives money which may be paid by honouring a cheque, so that a cheque can be drawn upon him as a bank; in other words, a private banker. It is not intended to carry this further.

Mr. MACDONALD: A man might not have his sign out that he is a private banker, but there are men who indulge in the business of what is called shaving notes, and the private individual to whom the notes are endorsed can go on without putting stamps on the notes which he receives.

Mr. WHITE: He would not be a banker in my view; it would be a transaction between individuals.

On section 12, subsection 4—stamp tax on receipt for money paid by bank:

Mr. MACDONALD: What particular class of documents does the minister intend to reach by this subsection?

Mr. WHITE: Savings bank receipts. A party goes into a bank and, instead of drawing a cheque in order to get money, he asks for a certain sum of money and gives a receipt for it. It is obvious that, unless we inserted this, we should lose revenue, because, instead of drawing a cheque, he would simply draw money and give a receipt. My assistant deputy minister tells me that that is the practice in some banks with regard to savings bank deposits. It is also the practice with certain loan companies carrying on a deposit business. They do not allow cheques to be drawn on them, but a customer goes in and asks for a certain sum of money and gives a receipt for it. It is a privilege, and we impose a stamp upon the receipt.

Mr. MACDONALD: Does the subsection apply to deposit receipts? In that case a customer does not sign a receipt, but endorses his deposit receipt.

Mr. WHITE: It would not apply to that.

Mr. MARCIL: What savings banks are affected? There are two in Quebec, the City and District Savings Bank of Montreal, and the Caisse d'Economie de Notre Dame de Quebec. Are there any others?

Mr. WHITE: I cannot say as to Quebec. There are a number of loan and trust companies in Toronto whose customers will be affected by this legislation. It is fairly general.

Mr. PROULX: Will this include co-operative societies? There are some in Quebec and Ontario which receive deposits from their members.

Mr. WHITE: If they receive deposits subject to cheque, it will.

Mr. MACDONALD: Does this apply to the Government Savings Bank?

Mr. WHITE: No. Not being specifically mentioned, it would not be affected.

Mr. MACDONALD: Does it apply to post office savings banks?

Mr. WHITE: No.

Subsection agreed to and section agreed to.

On section 12, subsection 7—issue of cheque without stamp:

Mr. MACDONALD: I was not in the House when the minister brought down this Bill in the morning. What arrangement has been made to convenience the public in regard to issuing cheques so that one would not be liable to a penalty under the law? This legislation is to come into effect on the 15th of April. Throughout the country, in the different offices and in the hands of individuals, there are cheque books. It is quite within the bounds of probability that a man might issue cheques out of those cheque books without thinking of stamps, and he would in that case be liable to a penalty under the law. How are those stamps to be made readily available?

Mr. WHITE: We have given consideration to that question, which is of great importance. I call the attention of my hon. friend to section 19, subsection 1 of which reads as follows:

> The Minister, except as herein otherwise provided, may direct stamps to be prepared for the purposes of this Parliament of such kinds and bearing respectively such devices as he thinks proper, and all sums received for stamps and paper stamped by means of a die under this Parliament shall form part of the Consolidated Revenue Fund.

Then I call my hon. friend's attention to subsection 4 of section 19 in the Bill before him, which will become subsection 5 under an amendment which I intend to propose:

> The minister may appoint any collectors of Inland Revenue, postmasters or other officers of the Government or other persons to sell stamps.

In addition to that provision, which we thought would readily enable the public to purchase stamps, we propose a further amendment, which I shall move when we come to section 19, as follows:

> Postage stamps of the requisite value may in lieu of the stamps prepared under subsection 1 of this section be used in fulfilment and discharge of any requirement under this Parliament that adhesive stamps be affixed.

For the convenience of the public, if there is not ready at hand a war stamp so-called, a one-cent or a two-cent postage stamp may be used. Between now and the 15th of April we will endeavour to give as wide publicity as possible to the fact that this legislation will come into force on the 15th of April. While there may be some cases such as those that my hon. friend has in view, we hope that it will be fairly well-known by that time that this legislation is in force.

Mr. MARCIL: What is to be the design on the stamp?

Mr. WHITE: I have not had time to turn my mind on that at all.

Mr. MACDONALD: I do not think it wise in the interest of the country that we should be putting upon the statute-book laws which make certain actions crimes within the meaning of the law, where the operation of statutes of this kind could be obtained without the creation of an offence. The minister makes ample provision for the collection of this tax by providing that the banks must see that this stamp is on before the money is paid; but if my hon. friend constitutes a new crime in this country by declaring that a man for instance, who may be living some distance from a town, who has a cheque book in his possession and who issues a cheque without putting a stamp upon it any time after the 15th of April, shall be guilty of a crime.

Mr. WHITE: A penalty.

Mr. MACDONALD: The law will treat it as a crime; it will be as a matter of fact a crime. I am not captious in making the suggestion that we ought not to create a statutory crime if it can be avoided. Does not the minister sufficiently secure the collection of his tax by providing that the bank shall not cash cheques without a stamp, without creating this offence so that a person who may issue a cheque in good faith may be liable to be proceeded against under the wording of this section?

Mr. WHITE: The hon. gentleman knows that in the case of one who acts in good faith and without knowledge of such legislation, it would be open to the magistrate to impose no penalty or a very small one. As in the case of all taxation there must be sanctions for its enforcement. I am given to understand by my assistant deputy that a penalty is enforced in other countries, in Great Britain for instance, in the case of stamp taxation. It is hardly probable that any hardship will arise. I would be willing to take into consideration the suggestion of my hon. friend that it will be sufficient to provide a penalty against one of the parties, but I think it would be no harm to leave the section as it is so as to provide that there shall be a penalty for failure to put on a stamp not only on the part of the bank but on the part of the drawer of the cheque, bill of exchange or promissory note. My present thought is that no harm will result from it and that it is an additional safeguard to the collection of our revenue.

[Mr. Marcil.]

Mr. MACDONALD: I point to the danger which I see as a lawyer. Under section 20, subsection 3, the right is given to any one to proceed for penalties this part of the Act. Then, subsection 5 provides that

> Any penalty collected and paid under part three may be divided with the person laying an information or otherwise aiding in effecting the conviction of the person accused, in such proportions as the Treasury Board in any case or class of cases directs and appoints.

The result is that prosecution may be instituted by one who is not an official representative of Government. I say it is unwise for Parliament to make what we might call an artificial crime.

Mr. WHITE: Before the reading of this Bill the third time, I shall be very glad to take into consideration the suggestion of my hon. friend.

Mr. MARCIL: Some time ago the Legislature of the province of Quebec passed an Act the effect of which was to compel incorporated companies to register in the court house. A number of companies, having other things to attend to, neglected to register. As a part of the fine went to the party who was the means of securing a conviction, many actions, known as qui tam actions, were brought in Montreal for the recovery of the penalty. In this way a regular system of blackmail grew up. I am afraid that it will prove the same in this case if the Bill is passed in its present form. Unless the Government confines the penalty to the banks, I can see great danger of this evil arising.

Mr. PROULX: I understand that this will make no change in regard to the sale of ordinary postage-stamps, but in the case of stamps on cheques and notes, sold by postmasters, the minister will lose 50 per cent of his revenue, because the postmasters get 50 per cent commission for the sale of stamps.

4 p.m.

Mr. WHITE: The same commission is given under this Bill for the sale of war stamps as for the sale of ordinary stamps.

Mr. MARCIL: Do I understand that letters mailed to foreign countries which are members of the Postal Union shall not require war stamps?

Mr. WHITE: The postage plus the war stamp must not exceed five cents. In the case of a letter directed to a party in the United States or Great Britain, an additional one-cent war stamp would be necessary.

Mr. MARCIL: The five-cent rate to France will still remain at five cents.

Mr. WHITE: Where there is a five-cent rate now, no additional stamp tax is imposed.

Mr. WILLIAM CHISHOLM: Why should not the contractor or the person writing to the Government or to a department of Government on business, or seeking a job, be obliged to pay the extra war tax?

Mr. WHITE: My hon. friend will observe that we are exempting letters and post-cards now entitled to the privilege of free transmission.

Mr. CHISHOLM: But why should you do that? I agree that letters sent from the departments on Government or official business should be exempt; but take the contractor, for instance.

Mr. WHITE: Take a member of this House.

Mr. CHISHOLM: Take even a member, if he is writing to a department when the House is not in session. But leaving out the members—

Mr. WHITE: Why leave out the members?

Mr. CHISHOLM: Becauses when a member writes to a department of Government he usually does so in the interests of his constituents. On the other hand, when a contractor writes to the Government, invariably he does so in the interests of Mr. Contractor, and I do not see why he should not be obliged to pay the extra postage.

Mr. WHITE: Where the Post Office Act now provides for the free transmission of a letter or a post-card, it is obviously intended to be in the public interest, not in the interest of an individual. I cannot conceive that the existing legislation, which provides for the free transmission of letters, has in view the well-being of individuals. The provisions in question are designed in the public interest, the idea being that letters will be transmitted free when sent by any person to a minister or department of Government. The same argument would apply to the case of letters sent by members of this House. No individual interest is served; under this arrangement his constituents may receive letters, papers and documents that they would not otherwise receive. I have no hesitation, therefore, in providing under this legislation for the exemptions which are now made by the Post Office Act.

Mr. WILLIAM CHISHOLM: But you are changing the Post Office Act; you are increasing the postal rates.

Mr. WHITE: We are not changing the principle.

Mr. CHISHOLM: So far as the principle is concerned, I can understand why a member of the House writing letters on public business should not be obliged to pay the extra tax, but why should the extra tax not be paid by a private person who is writing in his own interest? It may be argued that the amount collected in this respect would be so small that it would not be worth while re-drafting an amendment to cover the case, but I cannot see that any principle would exempt the contractor or private person in the case to which I have referred.

Mr. SINCLAIR: I am told that in the case of drop letters the extra tax may have the effect of decreasing rather than increasing the revenue. Large business concerns may employ messengers to deliver letters upon which they would have to pay two cents, whereas if the rate were one cent, as formerly, they would drop the letters in the post office. I should like to have the minister's view as to whether or not he expects to obtain a larger revenue through the imposition of the extra tax upon drop-letters than he would get if the old rate were continued.

Mr. WHITE: The measure was considered carefully by the Post Office Department and their opinion is that we shall receive a substantial increase in revenue from this source. My hon. friend is no doubt aware that open letters, or so-called circular letters, are not subject to the extra tax. I speak not with certainty, but I believe that the post office has a monopoly in the distribution of letters, and while an individual may use his own service, I have doubt as to whether a service could be organized which would successfully compete with the post office.

Mr. MARCIL: Why are newspapers and the parcel post exempted from the operation of the Act?

Mr. WHITE: I think it will be agreed that it is desirable that newspapers should be delivered to the public with as little expense as possible.

Mr. MARCIL: But in the case of newspapers mailed by individuals; why should the war stamp not be used in that case?

Mr. WHITE: I suppose the same argument applies to newspapers as that which applies to open letters. I have great doubt as to whether we should increase the revenue in respect of so-called circular letters if we imposed a war stamp tax upon them. That is the view, I understand, of the Post Office Department.

Mr. MARCIL: I presume the same explanation applies to the exemption in respect of the parcel post?

Mr. WHITE: We did have under consideration the question of imposing taxation on parcel post, but out of consideration for the public interest we determined that it would not be wise to impose such a tax.

Mr. MARCIL: This decision was not arrived at for departmental reasons, I presume?

Mr. WHITE: No.

Mr. SINCLAIR: What is the meaning of the words "within Canada" in the second line of subsection 5?

Mr. WHITE: This wording is taken from the Post Office Act. My hon. friend will observe that this provision applies to letters or postcards for transmission by post for any distance within Canada; therefore it would cover every letter posted in Canada.

Mr. SINCLAIR: No matter what their destination may be?

Mr. WHITE: No matter what their destination may be.

On section 13, subsection 6—distribution of prescribed stamps:

Subsection agreed to.

Mr. WILLIAM CHISHOLM: This section states that the Postmaster General shall make arrangements for the distribution of postage stamps. What arrangements is it proposed that he shall make?

Mr. WHITE: This is also the language of the Post Office Act with regard to providing for the distribution of stamps. I think the language is very apt. The Postmaster General has officers throughout Canada; the arrangements he will make will be to supply them with stamps so that in turn they may supply the public.

Mr. CHISHOLM: Not to create new officers?

[Mr. W. T. White.]

Mr. WHITE: I should think not. I should think that the existing staff would be able to take care of it, but, if not, the staff would have to be increased.

Sir WILFRID LAURIER: Evidently my hon. friend has made up his mind to carry out his intention of requiring that two stamps shall be affixed to letters. This legislation, call it what you will, simply provides for increased postage. Why compel the people to affix to each of their letters two stamps instead of one?

Mr. WHITE: While we provide for a war tax stamp, we also provide, under the amendment made to section 19, that ordinary stamps may be used in the event of war stamps not being available. It is still the intention that a two-cent stamp shall be affixed to a letter where two cents is the postage, and that an additional one-cent stamp—not necessarily a war tax stamp—shall also be affixed.

Mr. GERMAN: Why not use a three-cent stamp instead of a two and a one?

Mr. MARCIL: The war would be forgotten, perhaps, if there was not a war stamp; the Government wants to impress upon the public the fact that this tax is for war purposes.

Mr. WHITE: In view of my hon. friend's suggestion, I take it that it is his opinion that the fact should be impressed on the public, and that there should be a war tax stamp.

Mr. MARCIL: You say that the war tax stamp should be used, and then you say that the people need not use it.

Mr. WHITE: I do not say that they must use it. The Government thinks it advisable that a war stamp should be used in connection with this legislation. It is not the intention to increase the postal rate upon letters and postal cards. It may be said that in effect that is what we are doing, but what we are doing is to provide a war stamp on account of the war. If there were no war, this war tax would not be imposed.

Mr. SINCLAIR: If the war ceases in June, will the tax cease also?

Mr. WHITE: The tax will not cease automatically, but it would not be the object of this or of any other Government to continue special taxation longer than is necessary. As to what time in the future the necessity for its imposition will cease, I am unable to say. I cannot forecast the future so far as the war is con-

cerned—its contingencies, vicissitudes, or duration—nor do I know what the situation may be when the war is at an end.

Mr. SINCLAIR: Is it intended to continue the collection of this tax after the war is over?

Mr. WHITE: I hesitate to give an expression of intention at the present time, because I do not know how long the war is going to last.

Mr. MICHAEL CLARK: You do not know how long the Government is going to be in power.

Mr. WHITE: I have a better idea as to that than I have as to how long the war will last. If this taxation, however, were to remain in force throughout the incumbency of the present Government, I am afraid there might be a protest against it on the ground of its lasting so long. With regard to this special taxation, which is imposed to meet the exigency of the war, I think it has been the principle of governments generally not to continue special taxation in effect longer than is necessary. Naturally, at the end of a war they have to consider the situation which is left by the war, and it would be extremely unwise to make any statement in advance as to what a government would do when a war comes to an end. What any government is obliged to do when a war comes to an end is to consider the situation that then confronted it and to deal with that situation as may seem proper. It would be unwise, therefore, for me to make any statement as to what the Government will or will not do, except this: that no government desires to continue special taxation in effect longer than is absolutely necessary.

Sir WILFRID LAURIER: That is not the point. The House has resolved by solemn vote that there shall be an increase in postage. Call it war tax, or call it what you will; the fact remains that the postal rates are increased. But why subject those who use the facilities offered by the post office to the vexatious proceeding of affixing two stamps to a letter instead of one? Why not have one three-cent stamp? But my hon. friend is not satisfied with that; he wants everybody to put the usual two-cent stamp on his letter and to affix also a one-cent stamp bearing the words "war-tax." Is that not a vexatious proceeding? Everybody knows that this is a war tax, so-called; why subject the people to extra inconvenience? My hon. friend says the Government will be a long time in office, but I suggest to him that the electors will damn the Government, if I may use the expression, because of their being compelled to adopt this inconvenient and vexatious procedure. My hon. friend cannot deny that the issue and sale of a three-cent stamp would be the most convenient method of collecting the tax, but he wants to impose this useless proceeding upon the public simply to make it appear that this is a war tax.

Mr. MICHAEL CLARK: There is great force in the view which my right hon. friend has expressed. My hon. friend the minister pays great attention to what Britain does in such matters. I have not sufficiently acquainted myself with the details of this measure to know whether or not my hon. friend has put a tax upon receipts. In Britain, if a person gives a receipt to a merchant for a sum over £2—that would be $10 in Canadian money—he is obliged to affix a two-cent stamp to that receipt. But there is no special receipt stamp; a postage stamp is used for that purpose and consequently in Britain they do not minimize the usefulness of the postage stamp; they increase its usefulness. War is an accident, and you have extra taxation because of it. Why not follow the British example in this matter, and admit that the contention of my right hon. friend is full of force and common sense?

Mr. MARCIL: Another advantage of the three-cent stamp is that it would be in keeping with the Conservative policies of former days, when taxation was three cents. It would remind the people that they are back to the old system.

Mr. WILLIAM CHISHOLM: If, as the minister says, the object of the war stamp is to keep the public alive to the fact that this tax is due to the war, why does this section not state that there shall be impressed on the stamp the words "war tax"? Why say "may"?

It might be difficult for parties sending letters, or making use of war stamps under the provisions of this Act, to obtain those war stamps notwithstanding the wide distribution that will be accomplished by the Inland Revenue Department. Therefore, it is provided by an amendment to section 19 that postage-stamps of the requisite value may be used in lieu thereof.

Mr. W. M. MARTIN: That is only until the others are ready.

Mr. WHITE: I make a change in section 19 by providing that postage-stamps may

be used in lieu thereof. It is for the public convenience. My right hon. friend has spoken of the trouble and inconvenience which will be occasioned the public if we make them put on these stamps. I do not agree with him. My right hon. friend is sitting in the cool shades of Opposition and he will continue to adorn the Opposition benches, I hope, for many years to come. If we do not complain about putting on an additional stamp I do not believe that my hon. friend, who has nothing to do except criticise, should complain about being obliged to do the same.

Sir WILFRID LAURIER: It is not the Government I pity; it is the electors.

Mr. WHITE: I think my right hon. friend's pity is wasted on the electors because the electors in time of war will not complain about putting on an additional stamp. I think the public will gladly put on the stamp, and they will be pleased to use the war stamp tax instead of the ordinary stamp that we are permitting them to put on. The hon. member for Bonaventure (Mr. Marcil) suggested that we were going back to the old system. It must be gathered from what he said the other day that he would like the impression to go out that this Government is raising the postage upon letters. We are not raising the postage upon letters.

Mr. MARCIL: The effect is the same.

Mr. WHITE: The effect may be the same, but that is not precisely what we are doing. We are allowing the postage to remain as it is and we are providing that a war stamp shall be placed upon each letter and a tax collected in that way upon each letter. There is a difference between the two things. If we use a three-cent stamp or a two-cent stamp instead of a two and a one, or two ones respectively, my hon. friend would represent that we had raised the postage. We have not raised the postage. We are imposing a special tax upon all letters which will be gladly paid by the people of this country in order to assist the Dominion to do its share in carrying on this war, and I do not believe that the public will complain. I do not believe that my hon. friend writes sufficient letters to put him to any particular inconvenience. If it is a difficult thing for him to moisten these stamps, because he referred to it the other day, why he has his secretary. There is no reason why he should have to discharge that unpleasant task; or he could get a moistener.

Sir WILFRID LAURIER: I do not want to impose upon my secretary what I do not like to do myself.

Mr. WHITE: We will get my right hon. friend a moistener.

Mr. COPP: Does the Bill provide that the stamps shall be supplied at the post office?

Mr. WHITE: Yes.

Mr. COPP: I understand that you can use an ordinary one-cent stamp instead of a war stamp?

Mr. WHITE: Yes.

Mr. COPP: If a man put on two one cent war stamps and a one cent regular stamp, what effect will that have?

Mr. HENDERSON: There will be more licking still.

Mr. WHITE: My deputy, who has given close attention to the matter of this legislation, assures me that this letter would be sufficiently stamped.

Mr. MARCIL: Does the minister take power to recall this stamp tax by proclamation, or must he wait for the meeting of Parliament?

Mr. WHITE: There is no power taken to recall this tax. It will remain in effect until next session at least.

Mr. MICHAEL CLARK: I do not think this clause should pass with the last remark which the committee had from the minister. He says that this is not an addition to the postage. That is a very bold position to take up. War is an incident in the history of a country, just as much as a bad or extravagant Government is an incident in the history of a country, and whether, because of war or of an extravagant Government—I am taking a suppositious case—you may have to impose additional taxes. In Britain or in any other country one has seen taxes raised as a result of war or from some other cause, but when an additional penny was put on the income tax, was it in order for the Chancellor of the Exchequer to get up and say: This is not an addition to the income tax?

Mr. WHITE: No, this is a tax.

Mr. CLARK: This is a war tax, but my hon. friend says it is not an addition to the postage.

Mr. HENDERSON: Neither is it.

Mr. CLARK: You pay three cents on a letter instead of two, and yet you say it is not an addition to the postage? It is perfectly open to my hon. friend the Minister of Finance to say that this additional postage is for the purpose of raising a revenue for war, but to say it is not additional postage is to say something which verges very closely upon nonsense.

Mr. WHITE: In subsection 5 of section 13 my hon. friend from Red Deer may read the following:

> On every letter and post card for transmission by post for any distance within Canada and on every letter and post card not intended for transmission through the mails but for posting and delivery at the same post office, there shall be levied and collected a tax of one cent.

That is a tax; it is not a charge for postal service.

Mr. CLARK: I was not dealing with that at all; I was dealing with the language which I think Hansard will prove the minister used. It is not additional postage, he said.

Mr. WHITE: It is not additional postage; it is a tax.

Mr. CLARK: All postage stamps are taxes.

Sir WILFRID LAURIER: The name by which you call it makes no difference; it smells no better.

Mr. McKENZIE: Do I understand that the department will keep a separate account of the moneys that are collected on war stamps and on regular postage stamps?

Mr. WHITE: As far as we can.

Mr. McKENZIE: My hon. friend from Westmorland (Mr. Copp) asked if you could use an ordinary one cent stamp instead of a war stamp, and the minister said "yes," and he also said that a two cent stamp and a one cent stamp would be good enough, or that three ones would be good enough. Ordinarily the whole of the money derived from postage stamps accrues to the Post Office Department. If three one cent stamps are used instead of a two cent stamp and a war stamp, the whole of the money goes to the Post Office Department and stays there. Therefore, I cannot see what this is except an increase in the charge for the carrying of letters. The present idea is that there is a quid pro quo. You have a letter to be sent from Sydney to British Columbia, and the contract you have with the Post Office Department is that they will carry your letter to British Columbia for two cents. If you put three war stamps on the post office gets nothing at all. It carries the letter for nothing, the idea being that all the money collected is a tax, and the department gets no quid pro quo for carrying your letter, but if the charge is three cents for carrying your letter, then it is simply the old contract made a little clearer to the people. I think the distinction is rather finer than the ordinary man will understand. It would be more convenient if the sender of a letter were obliged to put only a three cent stamp on, instead of being compelled to carry two sets of stamps to be put on the one letter.

Mr. MARCIL: Is the minister advised by the experts of the Post Office Department that the volume of letters will remain as it is to-day, or will there be a falling off?

Mr. WHITE: My advice from the Post Office Department is that the imposition of additional taxation on closed letters and postcards would result in a very substantial increase in the revenue.

Mr. WILLIAM CHISHOLM: It should not be difficult to keep the accounts separate so as to be able to determine how much is paid as war tax and how much for ordinary postage. If this were done I think it would be found that the business of the Postmaster General has gone down, and that the business of the Minister of Militia, who is the embodiment of war, has improved vastly, because it will be the war tax stamps and not postage stamps that will be put on letters. What means will be taken to show what is war tax and what is ordinary postage rate?

Mr. WHITE: It will have to be a matter of estimate by the Post Office Department. By reason of the provision that the postage stamp may be used in lieu of the war tax stamp, the accounts could not be kept separately. There will have to be an estimate made by the Post Office Department.

Mr. WILLIAM CHISHOLM: It can only be a guess.

Mr. WHITE: I should say it would be a very likely guess.

Mr. GERMAN: Will three war stamps carry a letter?

Mr. WHITE: Three war stamps would carry a letter and the postage would be credited with two.

Mr. WILLIAM CHISHOLM: What is the percentage allowed the postmasters for selling stamps?

Mr. CASGRAIN: Fifty per cent up to one thousand dollars; thirty per cent from one thousand to ten thousand dollars; and twenty per cent above ten thousand dollars.

Mr. WILLIAM CHISHOLM: You impose a penalty of one hundred dollars on an express company which issues a money order or cheque without a stamp, or which fails to cancel the stamp. That seems drastic. Suppose an express company accidentally neglected to affix a stamp, would the company be liable to a penalty of one hundred dollars?

Mr. WHITE: The company would be liable according to the statute, but no doubt if it were sought to impose the penalty the court would have regard to all the circumstances.

Mr. WILLIAM CHISHOLM: Why not insert the words "or who wilfully neglects to affix the stamp?"

Mr. WHITE: It would be gross negligence on the part of an express company to issue a money order without a stamp; we must assume that the company would carry out the provisions of the Act.

Mr. WILLIAM CHISHOLM: Suppose in the hurry of business they were issuing a number of express orders and the company omitted to stamp one.

Mr. WHITE: An express company is a public service corporation, and if it makes a mistake it should pay for it.

Mr. WILLIAM CHISHOLM: Why not provide that the penalty shall not exceed one hundred dollars, or any sum you like to state, and then leave it to the court to determine according to the evidence what the fine should be.

Mr. WHITE: In the case of persons who are liable to a penalty we fix the penalty at an amount not exceeding a certain sum; but in the case of an express company, if it makes a mistake we want it to pay one hundred dollars. We want to ensure that it will not make a mistake, because there is no reason why a company organized as an express company is should make a mistake.

Mr. WILLIAM CHISHOLM: Then, in that case you should make the penalty five hundred dollars, because a company can pay five hundred dollars for its mistake more easily than a person can pay fifty dollars.

[Mr. W. Chisholm.]

Mr. WHITE: If an express company is fined for an infraction of this section, it will make it more careful.

Mr. WILLIAM CHISHOLM: Would it not be more logical to fix a penalty not exceeding five hundred dollars or a thousand dollars if you like, and then the magistrate in his decision could decide what the penalty should be.

Mr. PROULX: Will the war tax stamp and the ordinary postage stamp be combined? Suppose a postmaster sells a thousand dollars' worth of ordinary postage stamps he would be entitled to a commission of five hundred dollars, and then if he sells five hundred dollars' worth of war tax stamps, he would be entitled to a remuneration of two hundred and fifty dollars, if they are kept separate.

Mr. WHITE: The two will be added together.

Mr. BURNHAM: I would point out to the hon. member for Prescott (Mr. Proulx) that he has not yet asked the minister whether people will have to pin on the stamps instead of licking them.

Mr. MICHAEL CLARK: Does my hon. friend suggest that we should keep all the licking for the Germans.

Sir GEORGE FOSTER: That is only a pin-prick.

Mr. McKENZIE: I would like to have an expression of opinion from the minister as to the penalties mentioned in sections 10 and 11. Does the minister understand that the court has no discretion in these cases?

Mr. WHITE: The intention there is, in the case of an express company, that there is no discretion, and that it incurs a penalty of one hundred dollars if it violates the provisions of the statute.

Mr. McKENZIE: I register a complaint against that because after all a corporation is nothing except an entity which has no personality, and the minister must not forget that the corporation will fall back upon some individual clerk in the long run, and if that clerk makes a mistake he will have to pay the hundred dollars and likely lose his position as well. It is hitting at some poor clerk who may make a mistake and not at the larger shareholders. Discretion should be left with the court in a case of that kind as in any other case.

Mr. WHITE: In the general statutes I understand there is discretion with the

Governor in Council to deal with particular cases of penalties. Apart from that, the Bank Act provides that a bank, for failing to comply with the provisions of the Act, becomes liable to a penalty. The principle should be different in the case of individuals from that in the case of institutions such as express companies. If an individual violates this legislation, discretion should be left with the magistrate as to whether he will impose the maximum penalty or not. If on the other hand an express company, which is organized for the purpose of doing the business to which we refer here, fails to carry out the provisions of this Bill—and it is very necessary that there should be penalties to ensure their proper carrying out—the imposition of a penalty of $100 is not extreme. That is my view; but I shall be glad to take into consideration the suggestion of my hon. friend, who has had a good deal of experience in the matter of imposition of penalties under the criminal law, with a view of seeing whether the penalty should be modified or not. At present my view is that it should be allowed to stand. I will take the matter into consideration between the present time and the third reading of the Bill.

Mr. SINCLAIR: How are stamps cancelled on express orders? There does not seem to be any definition of the word "cancel."

Mr. WHITE: There is a definition of the word "cancel" later on in the Bill.

Mr. MARCIL: I would like to call the attention of the Minister of Finance and the Postmaster General to a suggestion made at the beginning of this session by the hon. member for Rouville (Mr. Lemieux), who unfortunately is very ill. I understand that letters coming from the boys at the front now come into Canada free of postage. His idea is that letters mailed from Canada to the boys in the trenches should also go free. Has the Government given that matter any consideration? The other night I moved a resolution in regard to that, and I allowed it to stand at the request of the hon. member for South Renfrew (Mr. Graham) in the absence of the Postmaster General, and at the request of the Prime Minister, who stated that the matter had not been considered.

Mr. WHITE: That matter comes more particularly under the jurisdiction of the Postmaster General, and I should not like to express an opinion on it, because I have not looked into it, nor have I had it before me in any way.

Mr. CASGRAIN: We have considered the question, and it was our desire to facilitate as much as possible the sending of mail to the soldiers at the front. We found this difficulty in the way, namely, that the mail would be carried not only by the postal authorities of Canada, but by the postal authorities of Great Britain and of France. Therefore we would have to have some arrangement with the postal authorities of Great Britain and of France. That arrangement we have not tried to make, because we did not think we would succeed.

Mr. MARCIL: Is not the attempt worth while? I am sure it would be appreciated.

Mr. PUGSLEY: Members of this House and officials of the different departments send letters to France that go free, the Government putting the stamp on so far as that country is concerned. If it is considered desirable to grant the same privilege in respect of letters going to our boys at the front, I do not see why it could not be done.

Must this alleged war stamp be put on letters which are franked or on letters going to Canadian soldiers abroad on foreign service? If so, it seems to be rather anomalous that the friends of our boys who are fighting the battle of Canada in the trenches, should have to place a war stamp on letters which they send to them. The suggestion of my hon. friend the member for Rouville (Mr. Lemieux), which has been supported by my hon. friend the member for Bonaventure (Mr. Marcil), that letters mailed to our soldiers in the trenches should go free of postage and also free of this war stamp, should be carried out. Is this war tax intended to apply to all letters which are franked, that is to say to letters which are sent by or to members of Parliament or the different departments of the Government? I think it should apply to them, but I am inclined to think that the Bill in its present form will not make it apply. Those who are entitled to frank their letters today will be able under this Bill to send them free of the war stamp tax.

Mr. WHITE: My hon. friend was out of the House when that matter was rather fully discussed a little while ago. He is correct in his conclusion that, under the provisions of this Bill, the tax of one cent

imposed in addition to the postage shall not be levied or collected on any letter or post card entitled to the privilege of free transmission under the provisions of the Post Office Act.

Mr. PUGSLEY: Is that an amendment?

Mr. WHITE: That is in subsection 5 of section 13 of the Bill. I pointed out—and it is not necessary for me to amplify my remarks in view of the fact that the discussion took place in the House a little while ago—that the exemptions under the present Post Office Act are by reason of considerations of public interest. The reason why letters are allowed to be transmitted free is not in the interest of individual members of this House so much, as in the interest of the public, in order that members may send not only letters, but papers and documents to their constituents. The provision for free transmission of letters to the departments of the Government was, I think, originally conceived on the same principle, namely, out of consideration for the public interest and not out of consideration for the particular individual who happened to be communicating with the Government. That answers, so far as I can answer, the last question propounded to me by my hon. friend the member for St. John (Mr. Pugsley).

To come to the question of letters addressed to soldiers—my hon. friend says " in the trenches "—he knows that the Government, as has been pointed to the House, is putting itself behind the soldiers in the trenches. Personally, I should be of opinion that the friends and relatives of the soldiers would be only too glad to pay the additional war tax, knowing that it is provided for the purpose of enabling this Government to better support the soldier in the trenches. To ease the mind of my hon. friend, if he has any doubt about it, I pointed out a little time ago that, by reason of another provision in this Act, namely, that the tax is not to be levied if contrary to the Universal Postal Convention, this war stamp tax does not apply on letters on which postage of five cents is required. In other words a letter sent to France, five cents postage being necessary, will not have to bear the war stamp tax, because five cents is the limit under the Universal Postal Convention.

Mr. MARCIL: The minister will understand that the Government gets no credit for that, because it is out of their power under the terms of the convention, to impose a tax on a letter going to France. I thought this question of sending letters free of tax to the soldiers was not a party question, but would be approved by the House, especially as the letters from the soldiers come free of postage. That being so why cannot one who receives a letter from a soldier at the front have the same advantage in answering?

Mr. WHITE: That is another question.

Mr. MARCIL: I may tell the Postmaster General—perhaps he does not know—that letters sent by Canadian soldiers and coming to Canada are free of postage. Why cannot the reply also go free of postage?

Mr. PUGSLEY: Perhaps I may be allowed a word here and then the Minister of Finance can answer both my hon. friend and me. The hon. minister says that I may free my mind of any anxiety with regard to letters to Canadian soldiers in France being obliged to bear the stamp tax because the postage on letters to France is five cents, and in consequence of the Universal Postal Union arrangement no postage beyond five cents can be collected. Does that apply in this case? The minister has told us that this is not postage; that this is a war tax. That being so, the International Postal Convention would have no application. So, if the minister wanted to exempt such letters from tax he should have a section in the Bill especially providing for it. He cannot depend on the International Postal Convention, according to his own argument.

Mr. WHITE: We gave consideration to the views the hon. gentleman has put forward which are rather obvious to one who considers the matter. There is no doubt that this is not additional postage; it is a war tax imposed upon letters. But even if it were as clear as noonday that the Government had the right to impose this war tax upon letters in addition to the postage without violation of the Universal Postal Convention, my view would be that the Government should not impose it. And we do not propose to impose it; we propose that the postage plus the taxation shall not exceed five cents. At the same time I would say what I have said, I think, at least a dozen times before—expressing my own view of course, and my hon. friend is quite open to put forward his view in contradiction—that this is a war stamp tax.

It is so stated in the Bill and is so intended; it would not be imposed unless war existed. So far as I am concerned, and without disrespect to my hon. friend, I will not discuss what I consider a quibble any further. It is a war stamp tax, and it seems to me it is idle to discuss that question.

Mr. PUGSLEY: Quibble or no quibble, I am not discussing that question. I am assuming that it is a war tax, that it is not a payment for postal service. Thus I am giving the hon. minister the full benefit of what he says. If, then, this does not increase the postage, the Universal Postal Union regulations have no application to the case. But the minister says that the Government does not intend to accept anything beyond the five cents, and where the postage is five cents and is paid on a letter, as in the case of letters for France, there will be no further war stamp tax imposed. What I would like to know is whether there is anything in the Bill which so provides. If there is not, then the Government is going to do what, in my opinion, it has no power to do; it is going to act contrary to the statute, for it will pass a regulation which the Act gives the Government no power to pass. What the Government ought to do is to provide for that in the Bill. If the Minister is not going to regard this as a mere quibble, but as something that members of this House have a right to inquire about, I would like to know where in this Bill authority is given to the Government to exempt from the stamp tax a letter with a five-cent stamp upon it from the stamp tax? It may be in the Bill, but I have not seen it there.

5 p.m.

Mr. WHITE: I have no objection to giving the matter consideration and getting the opinion of the Justice Department. My own view is that it would be impossible to impose this additional tax, if in substance and in spirit it is opposed to the Universal Postal Convention, in other words, if the postage of five cents is exceeded. If there is anything in the drafting inconsistent with that—but I do not think there is—I will reconsider the drafting.

Mr. PUGSLEY: Perhaps the assistant-deputy could inform the minister where the provision is.

Mr. WHITE: Subsection 5 of section 13 is as follows:

> Such tax shall not be levied or collected on any letter or post-card entitled to the privilege of free transmission under the provisions of the Post Office Act, nor on any letter or post card if the levying and collecting of such tax would be contrary to the provisions of the Universal Postal Convention concluded between Canada and certain other countries.

That is to say, if the levy is contrary to the provisions, then it will not be made. I do not believe that language more proper to express the meaning could be found.

Mr. PUGSLEY: "If it is contrary?"

Mr. WHITE: That is a question of fact and of law. So far as this Bill, which will become a statute, is concerned, it is perfectly clear that if it is in conflict with the Universal Postal Convention, then the tax will not be imposed. If, on the other hand, it is not in conflict with the terms of the postal union, then the tax could be imposed.

Mr. PUGSLEY: Will it be?

Mr. WHITE: That is a question which we will consider in due course. In the meantime, this Bill is perfectly clear in that if the tax would be a violation of the terms of the postal union, it will not be levied and collected.

Mr. PUGSLEY: That is clear, if the imposition of the tax would be a violation, but it is not clear that it would be.

Mr. WHITE: I suggest that the hon. member look the matter up and come to a conclusion for himself.

Mr. PUGSLEY: I will do that if my hon. friend will promise to put into legislation my suggestions in the matter, but what is the good of my looking it up? The responsibility is not on me; it is on the Government. I repeat that it is clear that if the tax would be a contravention of the postal union, it cannot be imposed, but it is not clear that the imposition of the tax would be a violation of the terms of the postal union. If the Minister of Finance holds to the view that this is not postage at all, but simply a tax which, for convenience, is collected through the sale of postage stamps, then the exaction of the tax would not be a contravention of the universal postal union. However, if my hon. friend will look into the matter, that is all I ask.

Mr. MARCIL: Do I understand that the Government's decision in the matter of free letters to soldiers is final?

Mr. CASGRAIN: I am sorry the hon. gentleman is putting that question now; it is a matter which is engaging the attention of the department. As I said before; it is our wish to send letters free to the soldiers at the front, if it is at all possible and consistent with the necessities and requirements of the Post Office Department. I may supplement the information which I gave the hon. member for Guysborough (Mr. Sinclair) respecting the vending of stamps by saying that when stamps are sold in post office lobbies, the remuneration to the vendor is up to two cents on the dollar. In other words, the allowance made to those who sell stamps in post office lobbies is up to two cents on the dollar, according to the discretion of the postmaster. In cases where stamps are sold by druggists and others, their renumeration is one cent on the dollar.

Mr. W. T. WHITE: Without intending to prolong the discussion—because the hon. member for St. John (Mr. Pugsley) has intimated that he is satisfied with my saying that we shall be glad to give the matter consideration—I would call his attention to the fact that in the postal convention, article 5, the English version is "the rates of postage," whereas the French version is "les taxes." This circumstance must be borne in mind in giving consideration to the question as to whether this provision of the Bill now under consideration is a violation of the convention.

Mr. PUGSLEY: But the minister has said that it is not a tax.

Mr. WHITE: Both seem to be provided for here, and that would lend strength to the view which I expressed that the rate of five cents should not be exceeded, because in the French version the expression is "les taxes."

Mr. PUGSLEY: The hon. minister will remember that when a gentleman on this side spoke of postage as a tax, he said that it was not a tax; that postage was a consideration for the performance of the service. He said, however, that this war stamp tax is something entirely different. My hon. friend cannot blow hot and cold at the same time.

Subsection agreed to.

On section 14, subsection 1—consumers:

Sir WILFRID LAURIER: Yesterday I raised the question as to our power to tax champagne, having regard to the French treaty. My hon. friend told me that he would consult the Department of Justice in the matter; has he done so?

Mr. WHITE: I shall read the opinion of the Department of Justice, which I have obtained in pursuance of the right hon. gentleman's request. It is as follows:

Ottawa, 23rd March, 1915.

Dear Mr. Ross,—Referring to your letters of 19th and 20th instant, submitting a question as to whether the imposition of stamp duties upon wines as proposed by the Special War Revenue Act, 1915, Bill conflicts with the French Convention scheduled to chapter 28 of the Acts of 1908, and in which you allude to a contention that there may be special ground for immunity of champagne because it is not like a product of Canadian origin, and state moreover that you are advised that there are concerns in Canada manufacturing what they call champagne and selling it as such, I may say that upon the best consideration which I have been able to give to the subject the proposed legislation does not conflict with the stipulations of the convention. It will be perceived that the stamps are required to be attached only upon sale unless the importer be also the consumer, in which case the stamps must be affixed after importation and while the wine is in customs. It was agreed by article V of the Convention that certain French wines should upon their importation into Canada enjoy the benefit of stipulated customs duties, and it was moreover in effect provided by article XII that these wines when imported into Canada shall not be subject to any other duties of exicse, internal consumption or octroi than those which are or may be charged upon like products of Canadian origin. The tax now proposed is not, as I have shown, a tax upon importation, but a tax to which native wines are subject equally with imported wines. It is an excise or Inland revenue tax as distinguished from a customs tax, and it is I think intended to be imposed in strict conformity wtih the obligations undertaken by the convention. Indeed I do not see how it can be contended that these stamp duties in their general character can be aptly included within any proper definition of customs duties. Whether or not Canada produces or can produce any wine corresponding to "les grands vins de champagne" may of course be very doubtful, but it appears that Canada does produce a wine sufficiently like champagne to bear its name and have many of the same qualities. It may also be observed that the stamp duty of twenty-five cents a pint is imposed not upon champagne alone but upon sparkling wines generally, irrespective of the place of origin, and sparkling wines are I believe admittedly produced in Canada. But independently of this question I do not find any clause in the convention intended to exempt French wines from duties of excise or internal consumption upon the ground that like wines are not produced in Canada, but I think that if any such intention existed it should have been expressed or at least necessarily implied by the language used. I do not see any necessary implication in article XII, and this question is referable only to that article.

Yours faithfully,

E. L. Newcombe.

In connection with this opinion I have here a card of the Pelee Island Wine and Vineyard Company, and I find that they advertise for sale, among other wines and liquors, a registered brand of champagne "extra dry" and "sec." cases, 12 quarts, $18; cases, 24 pints, $20. There seems no doubt, as the Deputy Minister of Justice has stated, that sparkling wines are manufactured in Canada. I give this information because it may be useful to the committee in considering the opinion which I have just read upon the subject.

Mr. SINCLAIR: The minister refers to medicines manufactured by any occult art. The dictionary describes witchcraft as an occult art, and I wondered why the minister found it necessary to use the word in this Bill.

Mr. WHITE: "Occult" means hidden, not disclosed. I would not say that the word was exclusively confined to witchcraft or any of the allied arts. It is of much more liberal application that to the art of witchcraft. Its general meaning is "not divulged or made public," and that is the meaning we have in mind.

Mr. PROULX: Then coloured water passed off as medicine would be liable to the tax?

Mr. SINCLAIR: Occult sciences are defined in the dictionary as follows:

Those sciences of the middle ages which relate to the influence of occult qualities or supernatural powers, as magic, necromancy, alchemy, witchcraft, etc.

Mr. WHITE: That is the narrow meaning.

On section 15—stamp tax on patent medicines, perfumery and wines.

Mr. WHITE: I have an amendment which will consist in the insertion of a new subsection 3 and the changing of the present subsection 3 to subsection 4. The amendment is necessitated on this account. It has been found that there are certain wine growers who, operating under licenses of the Inland Revenue Department, use the wine which they produce in making some sort of medicinal preparation, the resultant not being subject to any special tax. As the Bill stood on first reading it was only when wines were sold to a consumer that they became subject to a tax. A subsection has been added to section 15 to meet this case, under which every producer of wines who uses his productions in producing some other article of value has to pay the tax. The new subsection will read as follow:

3. Every manufacturer or producer of (a) a proprietary or patent medicine (b) perfumery (c) wine of the grape, non-sparkling or (d) champagne or sparkling wine, who is a consumer, shall, under regulations made by the minister, before using any such article in producing therefrom any other article of value, affix an adhesive stamp of the requisite value as mentioned in the schedules of this part, to the bottle or packages containing such article.

Sir WILFRID LAURIER: I understood from my hon. friend that is to apply simply to wine growers.

Mr. WHITE: Yes.

Sir WILFRID LAURIER: Can my hon. friend give any idea of the nature of the article of value produced? Is it a medicine?

Mr. WHITE: It may be a medicine.

Sir WILFRID LAURIER: There are certain wines called medicinal wines?

Mr. WHITE: That is it.

Mr. GERMAN: I wish to raise my protest against the tax which is proposed to be put on proprietary medicines. I do not see any reason why there should be a tax on them any more than on the prescription that a person takes to a druggist and has filled. I do not think medicines should be taxed, even for war purposes. A man gets medicine when he is sick; he does not take it as a luxury as he does champagne or candy; and the Government are proposing to hamper the man who is sick in his endeavour to get well. Besides his doctor's bill he is being hampered with the payment of a tax on a patent medicine which many people believe to be more efficient in aiding recovery than even the doctor's prescription.

Mr. WHITE: This legislation is not a precedent in the taxation of proprietary medicines; it exists in other countries. Wherever an exclusive right, or monopoly, exists where large profits are made—although that is not universally true in the case of patent or proprietary medicines—there is a proper field for taxation. Taxation in other countries to which I have alluded has not been regarded as a hardship on the community, nor do I believe that the imposition of these taxes will be seriously objected to. There are numerous exceptions to this taxation. It occurred to me that in the case of patent or proprietary medicines, for which an exclusive right to manufacture exists or where a patent or proprietary article is held up to the public as being a specific or cure-all, the state might very well say that a tax must be

paid for the right. Governments continually impose taxes upon people for the right to exercise certain callings. Doctors have to pay fees before they are permitted to practise their profession and lawyers are in the same category. If a vendor holds it up to the public that he is selling a specific or cure-all, if he is representing himself to be a physician, I see no reason why a small tax should not be paid to the state for the privilege. Patent medicine proprietors are practically permitted to exercise the calling of a physician.

Mr. GERMAN: The great difficulty I see with my hon. friend's argument is that he is assuming continually that the vendor of the patent medicine is the man who will pay the tax. He is not the man who will pay the tax at all. It will be the sick man who buys the medicine in order to improve his health. He is the man who will pay the tax, and it will be burdensome to him. If the manufacturer of the patent medicine had to pay the tax, and it was to come out of him exclusively and not out of the man who is ill and requires nourishing treatment, there would be something in the hon. gentleman's argument. The hon. gentleman imposes a tax, and the statute, in its very terms, says practically that the purchaser is the one who shall pay the tax, because the stamp is only to be attached to the commodity at the time of sale to the consumer, not to the retail druggist, but to the man who desires a medicine, whatever it may be—not a cure-all—but a specific, for the treatment of a certain disease.

Mr. MARCIL: For man or beast.

Mr. GERMAN: For man or beast, as my hon. friend suggests. It is not a cure-all, but a specific for some particular ailment which happens to afflict the man at the time. He has to pay the tax. It is an injustice to, and an imposition upon, a large class of the community.

Mr. MARCIL: As between the hon. Minister of Finance and my hon. friend from Welland (Mr. German) I should say that the fair way to have imposed taxation on these medicines would have been to have stipulated that there should be no increase in the price to the consumer. Patent medicines, I understand, have a very large margin of profit. Prescriptions, I understand, are exempt from taxation?

Mr. WHITE: A compound made from a doctor's prescription is not taxed. It is not a proprietary medicine.

[Mr. W. T. White.]

Mr. MARCIL: What would happen if a doctor prescribed a proprietary medicine?

Mr. WHITE: If he prescribes a patent or a proprietary medicine and it is purchased, there is no doubt that the stamp tax will be payable. But if, on the other hand, a proprietary medicine is used as part of a mixture compounded from a doctor's prescription, then the mixture is different in character from the proprietary medicine which forms a part of it, and there will be no tax payable upon that compound or mixture.

Mr. SINCLAIR: The minister has not answered the argument of my hon. friend from Welland (Mr. German). The argument is that there is no good reason why a man who uses a patent medicine should be taxed, while the man who takes a doctor's prescription should go free. The reason why a man uses patent medicines is generally that he cannot afford to get a doctor's prescription. The patent medicine is the poor man's medicine. The minister ought to consider that question, and show us a good reason why he imposes a tax on patent medicines and refrains from imposing a tax on medicine that is prescribed by a physician. I agree with my hon. friend from Welland, and I wish to record my protest against this tax.

Mr. WHITE: My hon. friend is assuming that the public will bear the whole of this tax.

Mr. SINCLAIR: There is no doubt about it.

Mr. WHITE: There is nothing in the Act that makes that clear. Presumably patent medicines and perfumes are selling now at as high a price that they can be sold at. How that tax will be borne, and what its incidence will be, neither I nor any one else can quite tell. My own view is that it will probably be absorbed by the different interests concerned. A slight part of it may possibly be paid by the public, a part may be paid by the wholesaler, and a part may be paid by the manufacturer. The incidence of the tax cannot quite be forecasted. We will have to wait the result of the taxation to find that out. We may not be able to find it out accurately, even after the measure has been in force for some time, but my hon. friend is considering it from the hypothesis that the consumer will have to pay the whole of this tax. I do not agree with him.

Mr. SINCLAIR: I think there is no doubt about it.

Mr. GERMAN: I think the minister expresses himself most accurately when he says that he is imposing a tax and does not know where it is going to strike. The Government have done that with regard to the whole of the tariff resolutions. They have made a horizontal increase in the tariff, and I venture to say that they do not know how it is going to affect the revenue or what interests it will affect beneficially or detrimentally.

Mr. WHITE: In regard to the horizontal increase, I can tell my hon. friend that if he opposes it in his own constituency, it will strike him.

Mr. GERMAN: I can tell the minister that I am not afraid of the horizontal increase or of him either.

Mr. WHITE: It will strike him. Speaking generally in regard to taxation, either direct or indirect, it is not quite possible to say precisely or accurately just upon whom it will fall. We have our opinion that it will fall in a certain way. But any tax has some uncertainty in its incidence. My own view is that this tax may be absorbed, and that the public will only have to pay, if any, a very small part of it.

Mr. PUGSLEY: The minister makes a statement which seems to me to be somewhat extraordinary. He says that if my hon. friend from Welland takes an independent position in Welland, this horizontal increase of the tariff will strike him in that district. Perhaps the minister will be good enough to explain what he means by that statement.

Mr. WHITE: My language is perfectly clear.

Mr. PUGSLEY: Is it because the horizontal increase is a protective tax?

Mr. WHITE: My hon. friend keeps on guessing.

Mr. PUGSLEY: I cannot imagine any other reason than that. Then the minister lets the cat out of the bag when he says that the tariff is not merely to raise a revenue, but it is for the purpose of protection. My hon. friend's constituency is a manufacturing district, and therefore if he has the independence to raise his voice in this Parliament against what he himself believes to be an unjust tariff, it is going to strike him because the manufacturers will resent it. That is what my hon. friend's statement means if it means anything.

Mr. WHITE: Among the arguments used by hon. gentlemen opposite against this taxation was that it might incidentally assist the "Made-in-Canada" movement, and if my hon. friend would get up in his constituency and belittle the made-in-Canada movement, I think he would not be advantaged politically.

Mr. MICHAEL CLARK: The greatest opponent of the made-in-Canada movement is the minister himself, because he deplores the depression which exists in Canada because we have not imports. He has himself, in paragraph after paragraph, explained that he has not income sufficient for his wants because we have not been importing so much as we were importing, and he has deplored the loss of revenue and the necessary resort to taxation in consequence. So that when he taunts any one of us with being the opponent of the made-in-Canada movement, I do not think he understands our position; I am sure he does not understand mine. I claim him as being in agreement with me unless he says that the cutting off of exports was a good thing, and that the loss of revenue was a good thing. I do not understand his Budget statement in that sense.

Mr. PUGSLEY: Then too, we all remember in 1912, when the Minister of Finance made his Budget speech and when this country was going forward under the momentum it had received during the years of prosperity when the Liberal Government was in power, how the Minister of Finance rejoiced at the increase in imports and the consequent increase in revenue. The hon. gentleman took a very different position then from that which he takes now. As has been said by my hon. friend from Red Deer, the hon. gentleman knows he cannot have revenue unless he has imports. The Minister of Finance has justified the tax on patent medicines upon the ground that many of these patent medicines are owned by those who have made a good deal of money in the past, and when he is driven into a corner—if you will pardon me for using that expression, but it is not quite so offensive as the word "quibble" which he used—when he is driven into a corner—

Mr. WHITE: By whom?

Mr. PUGSLEY: By the fallacy of his arguments; by the fact that he has made most fallacious arguments in support of this tax upon proprietary and patent medicines. When he is driven into a corner he is obliged to admit that he doesn't know whether this tax is going to be

borne by the sick man and the poor man who uses these patent medicines, or by the manufacturer. If it is to be borne by the consumer, then I say, as other hon. gentlemen have said, that it is a burden upon the poor man and upon the sick man. It is only the sick who use these medicines, as a rule; of course they may use them when they are not very sick, but it is sick people and poor people who use patent medicines, as a rule. These medicines are largely used by people in the country districts who live a distance away from a medical man and find it desirable to have relief against pain. It does seem to me that the protest of my hon. friend (Mr. German) is properly made, and it certainly ought to be considered by this Government. They ought to pause before they add still further to the burdens which are placed upon the masses of the people of this country.

Sir WILFRID LAURIER: This says that cancellation may be made by writing initials, or "other marks of identification" across the stamp. What is the meaning of those words?

Mr. WHITE: This is regarded as a necessary safeguard to the Inland Revenue, and it is taken from the English Act. If there is any suggestion that will simplify the cancellation and at the same time guard the revenue, I would be glad to consider it.

Sir WILFRID LAURIER: Up to the present in this Bill, we have provided, as should be provided, that all stamps should be erased, and the method hitherto provided has been by putting on the initials of the party who has to do the erasing, and the date, but here you give an alternative when you use the words "or any other mark of identification."

Mr. WHITE: A provision similar to this ran through the Act before and we changed it by providing that the banks shall cancel, in the case of cheques, bills of exchange, and promissory notes. This, of course, does not pass through any bank, and it has been regarded as a necessary safeguard to the revenue that this provision should be inserted.

Sir WILFRID LAURIER: I understand that, but in addition to the means hitherto provided for cancellation you say that the person whose duty it is to cancel the stamp may use " other marks of identification."

[Mr. Pugsley.]

Mr. WHITE: In the case of stamps on these proprietary medicines and patent medicines, and wines, and perfumery, the provision is the same as in the English Inland Revenue Act. This is a new provision and it is considered necessary.

Sir WILFRID LAURIER: I see now that it is a new provision; my attention was called to it by the fact that I did not observe it in any of the sections of the Act previously. This section gives the power to the minister to say what the value of certain commodities is; is not that a very wide power?

Mr. WHITE: On proprietary and patent medicines and perfumery, the retail price being twenty-five cents or less, the stamp tax is one cent, and as it becomes necessary that there should be some certainty in the imposition of this tax, this provision gives the minister power to determine the retail value so that the tax may be imposed in the event of any dispute arising. It is provided elsewhere in our legislation, notably in the Customs Act, that the decision of the minister shall be conclusive on certain points for the sake of uniformity and to put the question beyond controversy, and thus make the measure effectual without resorting to the courts.

Mr. A. K. MACLEAN: It is similar to the power of valuation in customs for taxation purposes only.

Mr. WHITE: Precisely, in order that there may be a conclusive value put upon an article by the minister in any disputed case.

Mr. MACLEAN: The price that the minister would fix would not control the price which the vendor would charge the public?

Mr. WHITE: I do not think so.

Sir WILFRID LAURIER: This power would become operative if fraud were attempted upon the revenue. That would be the case if a medicine, which to-day sells for 25 cents or 50 cents, were to be sold at a lower price for the purpose of evading the tax.

Mr. MARCIL: The profits are very large in this business. In Montreal there is great competition amongst the druggists. There are cut-rate druggists. Recently I saw a certain proprietary medicine advertised as follows:

Usually sold for 25 cents; now one bottle for 25 cents, two bottles for 26 cents.

What is the minister going to do in such a case?

Mr. WHITE: I should think the minister would fix the price of each bottle in a case of that kind, probably at 25 cents.

Section agreed to.

On section 17—penalty for neglect to affix stamp:

Mr. PUGSLEY: There is an omission in the last clause of this section. By subsection 3 of section 15, it is provided that:

The person selling and the importer, whose duty it is to affix a stamp under this section, shall at the time the stamp is affixed cancel the same.

But there is no penalty for not cancelling. In section 17 should not the words " and to cancel the same " be inserted after the word "part "?

Mr. WHITE: Section 18 provides for that.

Mr. PUGSLEY: There is also something wrong with section 18. It does not provide for cancelling the stamp.

Mr. WHITE: If in section 18 we substitute the word " part " for the word " section," it would be right.

Mr. PUGSLEY: Yes.

Section agreed to.

On section 20, subsection 1—recovery of taxes:

Mr. McKENZIE: Does not the minister think there should be some venue in these trials. It may be a great hardship for a man a thousand miles from Ottawa to be obliged to meet a charge before a court sitting in Ottawa. On the other hand, as the Government has its agents everywhere, it would be no great inconvenience to the Government if the Bill provided that the action must be taken in the county or city in which the cause of action arises.

Mr. WHITE: If the hon. gentleman will observe the last words of section 1, it provides that the case shall be tried in the Exchequer Court or " in any other court of competent jurisdiction."

Mr. McKENZIE: But that does not define the venue. It should be laid in the county or city in which the cause of action arises.

Mr. WHITE: I understand that the Exchequer Court is a circuit court. And it would be open to the Government to take the action before any court of competent jurisdiction. I should think my hon. friend might rely upon it that a Government would not seek to put an individual to inconvenience by its selection of a tribunal to try the case. This, I may say, is in the usual form of such statutes.

Mr. MARCIL: Is the minister going to state in regard to these stamps how they are to be used—the amounts in which they are to be used and so on? Is the stamp to contain any such directions?

Mr. WHITE: These will be the same as postage-stamps, and postage-stamps do not contain any direction as to how they are to be used.

Mr. McKENZIE: Does the minister regard the Exchequer Court as a court of criminal jurisdiction? These are quasi-criminal offences, and I did not know that the Exchequer Court would have jurisdiction in matters of that kind.

Mr. WHITE: I am informed by my assistant deputy that the Exchequer Court has been given the right to adjudicate in other matters in which penalties are sought to be imposed.

On section 20, subsection 3:

All penalties imposed by this Act may be sued for, prosecuted and recovered with costs by His Majesty's Attorney General of Canada, or, in respect of penalties under part one, in the name of the Minister of Finance, or, in respect of penalties under part two, in the name of the Minister of Inland Revenue, or, in respect of penalties under part three, in the name of the Minister of Inland Revenue or any other person.

Sir WILFRID LAURIER: Why not say that these penalties shall be recovered by the Attorney General of Canada instead of naming all these others?

Mr. WHITE: While there is much to be said for that point of view, my assistant deputy tells me that this is the practice in other legislation.

Sir WILFRID LAURIER: But this is a war tax, and we have never had it before.

Mr. WHITE: In the different departments the right of action is vested in the minister.

Mr. PUGSLEY: You might say " or any other person."

Mr. WHITE: I will consider that before the Bill is taken up again.

Bill as amended reported, and amendments read first time.

Mr. WHITE moved that the amendments be read the second time and concurred in.

Mr. MARCIL: When amendments are made in a Bill so important as this, it is usual to have it reprinted. Will that be done in this case?

Mr. A. K. MACLEAN: There ought to be quite a number of copies of this Bill printed for distribution.

Mr. WHITE: I shall not ask that the Bill be read the third time until to-morrow or some future sitting of the House, that we may have time to see that it is in the proper form.

Mr. A. K. MACLEAN: But when the Bill is passed a large supply should be printed.

Mr. WHITE: I will bear that in mind.

Motion agreed to and amendments read the second time and concurred in.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

JUDGES ACT AMENDMENT.

ADDITIONAL JUDGES FOR BRITISH COLUMBIA AND ALBERTA.

On motion of Hon. C. J. Doherty (Minister of Justice), the House went into Committee, Mr. Sevigny in the Chair, to consider the following proposed resolution:

That it is expedient to amend the Judges Act, chapter 138 of the Revised Statutes, 1906, to provide for the salary of an additional judge of the County Court of the province of British Columbia, at $3,000 per annum, and to provide for the salaries of three additional judges of the District Court for the province of Alberta, at $3,000 each per annum.

Mr. GRAHAM: In Ontario the province decides upon the number of judges it requires, and asks the Dominion Government to appoint them. Does that practice prevail throughout the Dominion generally?

Mr. DOHERTY: Alberta has applied for three additional district court judges; one at Medicine Hat, one at Red Deer, and one at Stettler. British Columbia has provided for an additional judge at Cariboo. I have information not only from the provincial authorities of both these provinces, but also from numerous other sources, that heavy additional work necessitates the appointment of these judges.

Mr. GRAHAM: I suppose that when the Bill founded upon this resolution becomes law, the minister will be able to tell us who the judges are to be.

Mr. DOHERTY: After it has gone through.

Mr. MACDONALD: Is the salary of $3,000 the same as that received by other judges in these provinces?

Mr. DOHERTY: Yes.

Mr. MACDONALD: There is a difference between that amount and the salaries paid in some other provinces.

Resolution reported, read the first and the second time, and agreed to.

Mr. DOHERTY thereupon moved for leave to introduce Bill No. 93, to amend the Judges Act.

Motion agreed to, and Bill read the first time.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Department of Militia and Defence; salaries, etc., $174,000.

Mr. KYTE: I desire to bring to the attention of the committee certain matters having relation to the 17th Battalion, Nova Scotia regiment, which left Valcartier in the month of October for the front. In making these observations I desire to place myself upon record as not having in mind any intention to make an attack upon the Minister of Militia and Defence. So far as I am personally concerned I can only say that in my judgment, in the discharge of his duties in connection with the equipping and sending to the front of a Canadian force to assist the Allies in the great conflict which is going on at the present time, he has manifested marvellous energy and very great ability. I think, however, that it is only just to the persons in Nova Scotia who are interested in the 17th Battalion, made up, as it is, of Nova Scotians, that these matters should be brought to the attention of the committee and of the hon. Minister of Militia and Defence, thus giving him an opportunity of stating his side of the case. Certain documents have been placed in my hands; they come from Colonel Robertson, who is in charge of this battalion. These I desire to read; they are as follows:

Valcartier Camp, Sept. 13, 1914.

The undersigned officers and non-commissioned officers of the Nova Scotia regimental contingents now in camp having as they believe an honest grievance on behalf of themselves,

the militia and citizens of the province of Nova Scotia, arising from treatment received from the Militia Department, desire to lay the following facts before you for your earnest consideration in the confident hope that some remedial action will be taken in their behalf.

After leaving Amherst, N.S., the officers on board the troop unanimously agreed that a request be made to have the Nova Scotians formed in a battalion under the command of the officers with the contingents. Major Robertson was asked by his senior officers to take command in event of the request being granted, and telegrams were despatched from Moncton to the Prime Minister, Colonel Hughes and Senator Dennis.

On our arrival near the camp ground on Saturday, August 22, 1914, we were obliged to find our way by inquiry to camp site. Neither rations nor tents had been provided or allotted. Owing to heavy rain on Friday night, had we not asked for leave to remain on board the train at Lévis, we would have been brought into camp in the rain and dark to forage for ourselves. No rations were issued to us until Sunday, August 23. This condition of affairs was due to headquarters having overlooked the sending of advance parties.

We were then placed in a battalion under command of an officer from New Brunswick whose character was then under investigation, and who had never shown any interest or activity in the militia. Although the Nova Scotians comprised the larger part of the provisional battalion the staff officers had been selected and the list was posted in the orderly tent. No provisions had been made for a representation of any officers from Nova Scotia.

Owing to those facts Major Robertson, at the request of the Nova Scotian officers wired the Minister of Militia as follows:

"Valcartier Camp, August 23.

"Colonel the Honourable Sam. Hughes,
"On train from Quebec to Ottawa.

"Officers and men of Nova Scotian regiments comprising contingent desire to be formed into a Nova Scotian regiment commanded by Nova Scotian officers. The three officers senior to me ask me to take command. Do not wish to be merged with New Brunswick and lose identity. Consider that military qualifications and interest in militia should count. Seventy-eighth first to volunteer from Maritime Provinces. Have sacrificed all private interest for service and feel our request reasonable and should be granted.

"(Signed) Struan G. Robertson."

No mention of the number of men was made, it being a matter of record at Headquarters, Ottawa. The following reply was received:

"Ottawa, Ontario, August 24.

"Col. Struan G. Robertson,
"Valcartier, Que.

"Please get move on and organize as suggested.

"(Sgd.) Sam. Hughes."

On or about September 1, the Camp Commandant, in the presence of all the officers commanding contingents in camp, spoke in a contemptuous maner of the move on the part of Nova Scotians for a battalion and said in effect that we had not men enough to form a battalion, thought ourselves too good to be jointed with others, and that he would not allow us to recruit Nova Scotians from other regiments in camp or at home.

Repeated requests had previously been made for leave to recruit Nova Scotians in camp and had been refused, although the privilege had been extended to other units or they were doing so with the knowledge of the Commandant. No consideration was given the Nova Scotians, while obstacles were thrown in their way. They were not even asked to be present when the provisional battalions were made up, but they were allotted to two separate battalions without being asked as to their wishes. With the consent of all of us an appeal was then made to the Prime Minister, but with the exception of a gracious interview on Sunday last, nothing has been done.

Two paragraphs follow to which I do not subscribe, but, in order to make the article consecutive, I will read them:

The Minister of Militia, however, by deliberate misstatements of fact, interlarded with profanity unbecoming an officer or soldier, has sought to place the province of Nova Scotia and her citizen soldiery in contempt.

On Wednesday, September 9, the Nova Scotia units were paraded before the minister and told by him, in the presence of his staff, that their officers were cowards and wire-pullers, that the province was a two-by-four province, that he would send us back to do garrison duty on our farms, and many other things unbecoming an officer.

The minister then stated that he was, as a matter of grace, going to represent Nova Scotia on the first contingent by a company in place of a battalion and would put Captain Allen in command, because John Stanfield had asked him to do so, a statement manifestly unfair to Captain Allen inasmuch as his competency and efficiency were overlooked altogether.

We can view this move on the part of the minister in no other light than that from motives of petty spite he wished to apparently honour in dishonouring Nova Scotia and break up our establishment by buying over part of our forces.

Although the units had never had an opportunity of acting as a battalion, the minister called out three senior officers to exercise the separate companies as a battalion. In a spirit of fault-finding and with intent to lower the officers in the opinion of their men he attempted to find fault with the orders given, and by doing so made a public exhibition of his own ignorance of battalion drill, which was apparent to even the corporals in the ranks and was detrimental to the general efficiency of the Canadian forces.

While we left our homes in defence of the Empire at great personal sacrifice, we do not feel that any man has a right to consign us to Hades or damn us before our time.

We humbly submit that the minister and his Adjutant General are, by reason of their unfairness, partiality and proneness to use profanity, quite unfitted to organize or command forces made up of patriotic Canadians whose only desire is to serve their beloved Empire as best they can.

While we may by injustice be prevented from discharging our duty, we desire to call attention to another matter of even greater importance

in that it affects the entire force: we refer to the efficiency of the Ross rifle at present in the hands of part of the force. Some of us, having the honour to belong to the 77th and 78th Regiments which in the competitions of last year stood first and second in all Canada as rifle shots, we think we have a right to speak. In our opinion the Ross rifle is not a weapon of sufficient perfection to place in the hands of our soldiers in time of war. Among other defects we note the following:

First. The locking device of the "bolt" so lacks in robustness that it is readily put out of action and renders the weapon unreliable.

Second. The magazine and loading mechanism frequently fails to function properly.

Third. The springs holding the cartridges in the magazine are inefficient; the cartridges frequently jam or are all vertically ejected.

Fourth. The mechanism whereby the cartridge shells are withdrawn not infrequently becomes inoperative.

Fifth. The sights are inaccurate and useless over 1,200 yards.

To arm a force and send it into battle with such a weapon is to court disaster and is criminal in the extreme. It is our duty to make it known to you without fear or favour, knowing that our fellow soldiers from Canada may have to pay the price with their lives.

All of this we most respectfully submit for your earnest consideration.

(Sgd.) ————————,
Lt.-Col. 78th Regt.
C. A. Andrews,
Lt.-Col 75th Regt.
Struan G. Robertson,
Major 78th Regt.
C. E. Bent, Captain.
L. R. Cutten, Captain.

In addition to that I have a copy of a letter from Lieut.-Col. Robertson himself which I am informed was addressed to Mr. F. B. McCurdy, M.P. It reads:

Jellalabad Barracks,
North Tidworth, 4-2-15.

F. B. McCurdy, Esq.,
Halifax, N.S.

Dear sir,—I have the unpleasant duty of reporting that the battalion known as the 17th Battalion Nova Scotians is to-day practically non-existent saving the officers, non-commissioned officers and some nineteen privates. As this condition of affairs has in my opinion been brought about by the unrelenting antagonism of the Minister of Militia to the battalion from its inception, I desire merely to lay the facts as I know them before you and allow you to judge whether or not we have reason to complain.

On organization at Valcartier, authority for which was delayed until the very last moment in defiance of Sir Robert's expressed wish, there was a scarcity of necessary equipment and stationery. There was no Oliver equipment to be had, only rifles, belts and bayonets without scabbards. They could only give us 1,000 attestation forms, while we needed upwards of 2,000, as they require to be in triplicate. No medical history sheets were available. Assignments of pay and separation cards were completed; but, owing to a mistake in the printed form of the latter they were returned before leaving Valcartier and new forms issued for completion on the voyage.

This of course was all excusable owing to the exigencies of the case. We were promised that this would all be remedied on arrival in England.

The separation cards were sent to the pay and record office, London, on arrival in England, but were returned to us, and new cards had again to be made out and forwarded through proper channels to pay and record office, along with nominal roll of officers and men. Application was made by me repeatedly for attestation forms, but none were to be had.

On December 12, 1914, two months after our arrival, I succeeded in getting 150 forms of attestation, sufficient to attest 50 men. Later I got a supply sufficient to complete the battalions, but then unfortunately we had no less than 140 men in isolation on account of spinal meningitis. Medical history sheets were at length supplied us on January 14, 1915. Oliver equipment was also issued to us in January, 1915.

On arrival at Devonport I was advised by officers on the staff that, while our discipline and appearance was excellent, Colonel Hughes had said that we were a political battalion of Sir Robert Borden's and that he had nothing to do with us and that we would never get to the front.

On arrival at Pond Farm Camp my officers and I were refused mess privileges. Harrod's manager told me that no arrangements had been made for us. By providing our own cook and waiters we were eventually given a corner of the mess room.

Repeated application for a wagon to haul supplies was made to the proper authorities and refused. Finally a wagon was borrowed and for two months it had to be used for drawing all rations and removing refuse from the lines. After sickness had broken out in our lines three wagons were given us in January, 1915.

On the removal of the 4th Brigade from Pond Farm Camp, we were kept for at least two weeks cleaning up the mess the 4th Brigade had left behind and levelling the ground. For this work we had only 9 shovels, though the establishment allows 222 shovels per battalion.

About November 20, 1914, we moved to Bustard Camp to occupy lines vacated by the Princess Patricias. Found lines in a filthy condition and only 29 tents erected for 800 men, although my orders in writing were that tents were all ready for us.

December 5, 1914, we moved to Sling Plantation. Were given only 18 huts for 800 officers and men. Huts only supposed to accommodate 30 men had to be crowded to 60. No accommodation for officers apart from their men, as in the other battalions. Result overcrowding. No officers' mess or kitchens of the men. Cooking had to be done in mud and mire, while all the other battalions of the 4th Brigade were equipped with splendid cookhouses and ranges. we were in a mud-hole. In ten days time we had 200 sick. First death from spinal meningitis December 17.

Medical officer was taken from us on Xmas day and since then we have had no qualified medical officer up to this date. With the assistance of two medical students in the battalion, four inspections a day of the huts, we came through with six deaths from meningitis and one from pneumonia.

During the whole period since our arrival in England the battalion was never once inspected by the G.O.C. or any divisional officer. We were left absolutely to our own devices. Every complaint possible was made against us and not one substantiated. Only one was investigated, and proved a complete farce.

In December my wife wrote me from Pictou that it was reported in Pictou I was to be sent home. On January 11, 1915, I had an interview with the G.O.C. He said that the authorities were down on me, that I had better resign, as they would get me sooner or later, that being his experience. On hearing my statement the G.O.C. said, "It is not fair of them to ask me to do this kind of thing." I declined to resign and asked for an investigation. The G.O.C. said, "there are no charges." I consulted other O.C.'s, whose advice was not to think of resigning.

On January 22, 1915, I sent in the resignations of three of my officers who had been charged with being drunk on January 15. The resignations were attached to statement of evidence taken before me. I did this solely out of consideration for their families.

According to regulations an officer is not allowed to resign in order to escape Court Martial. The resignations were accepted, but I was relieved of my command on January 28, 1915. On Sunday, January 31 all the men of the 17th Battalion were drafted into the Highland Brigade to make good the losses from death, sickness and desertion.

My personal case is a small matter compared to the manner in which the officers and men of the battalion have been used. If a statement of our wrongs were to reach the public of Nova Scotia it would be disastrous to our party in Nova Scotia. Whether General Hughes is to blame for the discontent in the contingent or not, he certainly is blamed, as all seem to lay their grievances at his door.

The G.O.C. is a very weak man. He does not seem to understand human nature. He makes no effort to get to know the officers or men.

The contingent is certainly seething with discontent, and if the Government has any idea of extending the franchise to us, my advice would be decidedly: Don't

As for efficiency, the 120 men that we sent to the Princess Patricias are proof of that, and had we only been allowed a draft from Nova Scotia to complete the battalion to strength, we would to day have been part of the Canadian Highland instead of being a reserve battalion brigade for it without men. Our typewriter was taken from us, and I am obliged to use the pen.

Yours faithfully,

(Sgd.) Struan G. Robertson,
Lt.-Colonel.

I understand that this Colonel Struan E. Robertson is one of the officers who went over to Europe with the hon. Minister of Militia two years ago and was part of the rather magnificent and numerous entourage which accompanied him on that occasion. Colonel Robertson performed what I must admit was a very patriotic duty in forming a Nova Scotia regiment to be forwarded as a unit to the front to take part in the war. He was unable to complete the unit at Valcartier, and he left with 700 men. I am informed—I do not know whether the information is correct or not—that he was promised that 400 men would be forwarded to him to complete his regiment. Some weeks ago I brought this matter up in the House, my attention having been called to a certain article which had appeared in the Morning Chronicle of Halifax, signed by their special correspondent at Salisbury, Mr. Horatio C. Crowell. The right hon. the Prime Minister (Sir Robert Borden), stated that having received information from the acting High Commissioner in London, he was in a position to say that the charges of Mr. Crowell were absolutely untrue. The article written by Mr. Crowell in the Halifax Chronicle had reference to the treatment accorded to the Halifax regiment not only at Salisbury but at Valcartier. It was stated that the Nova Scotia regiment was disbanded, that the officers had not the privilege of the mess, that medical attendance was not available for them and that on the whole they were treated in an extremely unfair way. As a consequence the regiment broke up and a number of their men were drafted into other regiments. It is only fair to Mr. Horatio C. Crowell, the correspondent of the Halifax Chronicle, that I should put upon the records of the House the correspondence which I have just read. The correspondence emanates from Colonel Struan Robertson himself. He is a person in whom the military authorities in Canada had sufficient confidence to nominate for a very high military office when they placed him in command of the Nova Scotia regiment. If there is any misstatement of fact it is traceable to Colonel Robertson himself and certainly not to the correspondent, who satisfied himself as to the truth of the statements before he despatched them to this paper.

I stated a moment ago that Colonel Robertson was a man holding a high position in military affairs in the province of Nova Scotia. Not only that, but he is a gentleman who occupies a very high professional and social position in the county of Pictou, where he lives. He is the gentleman upon whom distinguished political honours have been conferred by the party in office. As a Conservative he was the unanimous choice of the Conservative party in the county of Pictou in the last Dominion elections. He was the candidate who opposed my hon. friend from Pictou (Mr. Macdonald) in that election. Under all these circumstances I do think that these statements are entitled to some respect, and call for

some explanation from the Minister of Militia. I have not brought this matter up for the purpose of reflecting in any way upon the minister, but I felt that it was only right in his interest, as well as in the interest of Colonel Struan Robertson and of the other officers who signed the protest which I have read, that an explanation should be made to the House by the minister.

Sir ROBERT BORDEN: The hon. gentleman has adopted a somewhat unusual course this evening, particularly in reading to the committee and sending broadcast through the country an attack upon the general officer who is now commanding the Canadians at the front. However, he has the responsibility of that, and those who have advised him to this course, if there be any, have the responsibility of it also. I do not propose to answer the hon. gentleman in the spirit, very evident from the tone of his remarks, in which he has brought the matter to the attention of the committee. As far as he has desired to use this letter for the purpose of making an attack upon my hon. friend the Minister of Militia and Defence (Major General Hughes), that may be a legitimate method of party warfare if my hon. friend so considers it. He will have to take the responsibility of that also. But I have again strongly to deprecate his course in assuming to ask for information in such a manner as to cast a distinct reflection and aspersion upon the character and capacity of the general who has been selected, with the approval of Lord Kitchener, to command the Canadian division now facing the foe in the trenches.

As to the action taken with regard to Col. Struan Robertson, I regret that anything should have occurred which would lead to his being relieved of his command. I can only say that the responsibility for that rests entirely and absolutely with the War Office and with General Alderson. If my hon. friend (Mr. Kyte) desired to suggest that the authorities who are referred to in that letter mean any authorities on this side of the water, such a suggestion is absolutely without foundation. From first to last, since our troops from all parts of Canada went across the water, we have absolutely abstained from any attempts whatever to interfere with the command or otherwise; the responsibility in regard to these men as Imperial troops has been left with the War Office and with the general in command, where it properly belongs. If the general in command did use the language as to "other authorities," he certainly was not referring to any on this side of the water.

If the officers and men of the Nova Scotia battalion had any proper grounds of complaint of their treatment, it would seem to me that a military inquiry might have been had. I am not aware of the procedure in such cases, but I believe there is a procedure which would lead to an investigation and to the redress of any grievances, if grievances existed. I have had some correspondence on this subject, and I am at liberty to state to the House again that General Alderson and the authorities of the War Office, if they took any part in the matter, are entirely and absolutely responsible for the course which has been taken in regard to Col. Struan Robertson. The letter which has been read finds fault with the treatment of the Nova Scotians both at Valcartier and at Salisbury Plain. I have made careful inquiry as to their treatment at Salisbury Plain, and I think I have exhausted every source of information on that score. My hon. friend is mistaken in saying that I contradicted of my own knowledge anything that was said in Mr. Crowell's letter. I did not undertake to do that, because I have no personal knowledge of the matter.

Mr. KYTE: Will my hon. friend pardon me? I certainly did not intend to say that; I referred to the document the right hon. gentleman received from the acting high commissioner in London.

Sir ROBERT BORDEN: I laid before the House the information which was forwarded to me in response to my inquiries, and since then I have had further communications on the subject, some of which I am prepared to bring down, although some I would prefer not to bring down for personal considerations. I do not wish unnecessarily to wound the feelings of any man in this House or outside of this House.

The treatment accorded the Nova Scotia regiment on Salisbury Plain, if my information is correct, was exactly of the same character as that accorded to the other regiments from different parts of Canada; and indeed that is not very hard to believe, because who for one moment could imagine that General Alderson or the authorities at the War Office would select a particular regiment from Nova Scotia for the purpose of discriminating against it or ill-treating it? There could be no possible motive or reason for that, and until

evidence is afforded to me to the contrary I am disposed to take the word of the authorities at the War Office, the word of the general officer commanding, the word of Col. Carleton Jones, that there was no discrimination against these men in their treatment on Salisbury Plain.

As to the organization of the regiment at Valcartier, it was desired, and indeed hoped, that additional men might be recruited from the province of Nova Scotia which would enable the regiment to cross the Atlantic at full strength, and I discussed that with my colleague the Minister of Militia. If a little more time had been afforded before the sailing of the contingent, I have no doubt that would have been accomplished. But the question arose at that time whether it would be better for the regiment to remain and not go forward with the contingent, thus affording them an opportunity to recruit to full strength or whether it had better go forward on the strength it then possessed with the rest of the contingent. In discussing that with the officers, my recollection is, and I think it is absolutely correct, that the conclusion was reached that it would be better for the Nova Scotia regiment to go forward at somewhat less than strength, as they thought they would not like to be left behind when all the rest of the contingent had gone. Therefore the Nova Scotian regiment went forward as it was. As to sending forward a further contingent for that particular regiment, my hon. friend will remember, and the House will remember, that there was a very great indisposition on the part of the War Office and the Admiralty to permit a body of armed troops to cross the Atlantic, except under special and adequate convoy. From time to time the despatch of further troops has been delayed for that and other considerations. In every case we have been governed by the representations made to us by the War Office and the Admiralty as to the times at which troops should go forward and as to the numbers in which they should go forward.

Am I to understand that the letter which my hon. friend read in the first instance was one addressed to me?

Mr. KYTE: Yes.

Sir ROBERT BORDEN: I am not sure, but I will inform the House later, after making absolutely sure as to what I am about to say. I know that one letter addressed to me and signed by several officers was withdrawn as far as some of the officers are concerned. There may have been more than one communication to me, but I have a very large correspondence and I do not want to trust to my memory too definitely. I know that one letter of a somewhat important character which came to me, signed by some of the officers of the Nova Scotia contingent was, upon further reflection and information, withdrawn by at least one officer who had signed it in the first instance.

It seems to me that the course which my hon. friend has taken is not on the whole a very desirable course to take, for the reasons I have given. Any information of a confidential character or otherwise, with regard to this or any other regiment, will be placed before hon. members of the House who desire merely to procure information.

It is unfortunate that the Nova Scotia regiment was not recruited to full strength in the first instance. They were a very fine body of men, a very fine body of men indeed, and the disposition of the province of Nova Scotia to send men to the front has been amply demonstrated by what has since taken place. One of the best regiments that could be seen anywhere in Canada was assembled at Halifax last December, and I had the privilege of seeing them on parade and of inspecting them. The Minister of Militia, who saw the Halifax regiment after I had come back, assured me that among the regiments he had seen in all parts of Canada there was certainly no better regiment than that assembled at Halifax.

Further than that, he has told me since that he knew perfectly well, from information that he had collected from different parts of the province, that if two additional regiments were desired from the province of Nova Scotia, they could be raised without any difficulty, and that they would be of a character which would compare very favourably with any regiment raised in any other part of the country. There was no disposition on the part of the Minister of Militia, so far as I observed, to discriminate in any way against the Nova Scotia regiment. Along with the Minister of Militia I met the officers of the regiment when I was at Valcartier, and I venture to say that every one of them who was present at such interview will say with me that the minister treated them in a very considerate way, and offered to do and tried to do everything that was reasonably possible under the circumstances to bring the regiment up to full strength and to have it go

forward. He left it to the option of the officers themselves as to whether the one course or the other would be pursued, and the course pursued in sending the regiment forward at less than full strength was the one which the officers themselves thought it most desirable to adopt under the circumstances.

Mr. KYTE: I am not quite sure whether the right hon. gentleman was in his seat when I began my remarks. If he was present, he would not say that I had interjected anything partisan or of a party sentiment into my remarks. I distinctly disclaim any desire to make any reflections upon the Department of Militia and Defence in this connection. This matter matter has caused considerable notoriety, not only in the province of Nova Scotia, but in other provinces of Canada. In addition to the communication sent by Mr. Crowell, the special correspondent of the Halifax Chronicle, communications were sent by Lieut. Frank Mynott to the Ottawa Evening Journal and the Toronto Star dealing with the same subject. so that not only the readers of the Halifax Chronicle, but the readers of those other largely-circulated newspapers had an opportunity of judging whether or not there was a substantial grievance in respect of the Halifax battalion. I regard this as a public matter in which every person is interested, and we all desire a statement from the Minister of Militia and Defence as to his responsibilities, if any, in regard to the complaint made by Colonel Robertson. Mr. Crowell is a very respected newspaper correspondent in the province of Nova Scotia, where he has a reputation for veracity of which he is very proud, and he is entitled to have given to the House by me the authority upon which he made the complaint in the newspapers. That is my justification for the remarks that I have made.

With regard to Colonel Struan Robertson, I hold no brief for him. He is no friend of my political party; he is a friend of the party of the right hon. gentleman himself; and any honours, distinctions or emoluments which he has received at the hands of the people of the province of Nova Scotia have been received by him as being a supporter of the right hon. gentleman's party.

Sir ROBERT BORDEN: My hon. friend has enlarged upon the fact that Colonel Struan Robertson is a Conservative in politics, and that he has been a candidate in the interest of the Conservative party. I may say more than that, that he has been known to me for many years and that he is a personal friend of mine. I should be very sorry indeed to believe that any injustice had been done to him, either at Valcartier camp or on Salisbury Plain. The better course in such matters on the part of a military man is to follow the usual course of procedure, in case of any grievance, of making a demand for a court martial, or for an investigation. In so far as his being a Conservative or a Liberal is concerned, I would resent any injustice to Colonel Struan Robertson if he were the strongest Liberal in the country, just as much as I would under present conditions. The question whether a man who goes out to fight for his country is a Conservative or a Liberal, in respect of any matter of this kind, weighs not one single grain in my estimation. I do not quite appreciate the motive of my hon. friend in putting forward the fact that Colonel Struan Robertson is a Conservative. If my hon. friend desired to make a protest in this House in respect of an alleged injustice to any one of those men who happened to be a strong Liberal, I would deem it just as much my duty to take the matter up and make inquiries and have any necessary investigation as if the complaint were made in respect of a man who had been supporting the party to which I belong. Possibly my hon. friend did not mean anything by stating that Col. Robertson was a Conservative. I am quite willing to believe that such is the case. It is undesirable to attach any blame to men who are responsible for military command of our forces now facing the enemy in France until the question as to whether any fault has been committed or any grievance exists has been dealt with through the ordinary recognized military channel. As I have already explained to my hon. friend from Richmond (Mr. Kyte), I sent a request to the High Commissioner for Canada that the substance of those complaints should be laid before General Alderson and before the War Office, coupled with the desire on the part of the Government of this country that, subject to ordinary military usage, which, of course, must be observed in certain matters, an investigation of the alleged grievance be made. I hope that it will be made.

Mr. MACDONALD: In this connection, I understand that a number of the officers of the Nova Scotia regiment, who do not agree

with the views of Col. Struan Robertson, and who, according to the letter read by my hon. friend the member for Richmond, are in barracks at Tidworth, and have for some reason or other not been permitted to be attached to any of the other battalions or regiments. I understand that some of those men would like to be given an opportunity of becoming attached to some of the regiments going to France. I would ask whether something cannot be done in that regard. I feel sure that what was done in England in regard to any of the men who went over there would be whatever was decided upon by the General Officer Commanding and by the War Office, and that they alone would direct anything that would be done in regard to the Nova Scotia battalion or any other battalion. I do not fancy that the military authorities in Canada would have anything to do with the direction or control of the personnel of those battalions after they reached the other side. I know some of the men of whom I speak. I have seen them in camp and I know their worth as officers and as men. Apart from any statement that Col. Struan Robertson may have made in regard to ill-treatment, those men do not share his views, and they ought not to be treated prejudicially on that account and ought to be given an opportunity of doing something.

Sir ROBERT BORDEN: I concur entirely in my hon. friend's appreciation of the officers whom I met at Valcartier. I thought them a fine body of men. I am no more qualified than is my hon. friend to judge of their military qualities.

Some hon. MEMBERS: Oh, oh.

An hon. MEMBER: Is that complimentary?

Major General HUGHES: You are both honorary colonels.

Sir ROBERT BORDEN: Perhaps my hon. friend (Mr. Macdonald) and I will have to reconsider our attitude on that. However, I did have a little military experience, and I suppose my hon. friend did also, years ago. More years ago than I care to think about. I went through the military school at Halifax, then under the command of General Laurie, under the direct supervision of a good old British officer, very stern in his way, called Col. Milsom, and obtained a certificate to command and drill a company at company drill and a battalion at battalion drill, though I am afraid that my knowledge in that regard has become a little rusty since then. But with regard to the surplus officers—because more officers went over than were actually required—the situation has not been an easy one, and I have felt a great deal of personal concern in meeting a number of them who returned from England some time in December last, and whom I had the opportunity of seeing on the train. They were, beyond question, very fine men, and I should judge very capable men, and a number of them were men of experience. They could not be provided with commands in Great Britain. The course which the War Office thought it best to pursue under the circumstances and that Gen. Alderson followed, was to return them to Canada, with a view to their being employed in some later contingents; and I have said to the Minister of Militia that, as far as possible, consideration should be given to these men, because they had volunteered for service abroad, had been sent to Valcartier and afterwards to Great Britain, and were very earnest, their whole hearts being in their desire to serve their country.

So far as the men at Tidworth barracks are concerned, my hon. friend from Pictou will realize the difficulty of our making suggestions with regard to the appointment of men after they have gone to the other side as Imperial troops. For example, if we should be of opinion that certain officers were very competent and capable and worthy of consideration, the authorities of the War Office or the General Officer Commanding might not concur in that opinion—it would be undesirable that any such state of affairs should be brought about. Subject to that consideration, the importance of which the hon. member for Pictou, I am sure, will be the first to recognize, I should be very glad, and I am sure the Minister of Militia would be very glad, to assist in any possible and proper way to carry out the suggestions which the hon. gentleman has made. If my hon. friend would send me a memorandum giving the names of the officers, I should be glad to confer with the Minister of Militia with regard to the matter, to see if anything can properly be done to meet the suggestion. It would be my most earnest wish that something could be done.

9 p.m.

Mr. MACDONALD: I am advised that these officers of the Nova Scotia regiment, who are in barracks at Tidworth, occupy an

altogether different position from those officers who returned about the beginning of the year from Great Britain.

Sir ROBERT BORDEN: They went over with commands—the hon. gentleman means that they differ in that respect?

Mr. MACDONALD: Yes, and differ in their status, as their services are not being dispensed with. They simply remain there occupying positions as supernumeraries. It is not suggested that they come back. I should be glad to communicate to the right hon. gentleman the names of some of these officers whom I know, with a view to having the matter dealt with. I do not think the right hon. gentleman should blame the hon. member for Richmond for calling the attention of the House to this question, for I think he had a perfect right to do it.

Major General HUGHES: With the motives of the hon. member for Richmond (Mr. Kyte) I have nothing to do. With the remarks he has made and the contents of the letter he has read I have to do. He is correct in stating that a year ago Major Struan Robertson accompanied me through the fields of Europe and saw the various manoeuvres, which would show to an ordinary observer that I could not have a very vindictive feeling towards that gentleman. The fact that Major Struan Robertson wired me on the way up with the Nova Scotians that they were coming in strength and asking to be formed into a Nova Scotia regiment with himself, Major Struan Robertson as Lt.-Colonel, was cheering to me, especially when followed up with telegrams from the same gentleman and from other distinguished gentlemen from the province of Nova Scotia, stating that they had fifteen hundred men from that province coming to Valcartier and asking that we should recognize them as a Nova Scotia regiment. Nothing gave me greater pleasure than to wire back that I would constitute them a Nova Scotia regiment. On their arrival in camp it transpired that they had less than half a thousand men, not quite enough for half a battalion. I saw Major Robertson and discussed the situation with him and asked him what he proposed doing—should we recruit more men from Nova Scotia? He said that what was meant by the statement that they had fifteen hundred men from Nova Scotia was that, considering the number of men they had brought direct from the province, together with the number of those in the battalion from other parts of Canada, they could recruit a regiment upwards of a thousand strong. To this proposition I personally made no objection. I pointed out, however, that many of these men had lived for years in the West and had made their homes there, and that there was an attractiveness about the prairie life and the mountain life, and I warned him that he would find difficulty in winning these men away from the corps to which they belonged. I told him that if he attempted to win men away from these corps from the West he must do it with the consent of the officers of the corps. I think that was only honourable. As a matter of fact, while there were a very large number of men in other corps who came from Nova Scotia they preferred remaining with their comrades with whom they had come to Valcartier rather than leave and join the Nova Scotia battalion under Major Struan Robertson. The next proposition he made to me was to recruit up at home; but that was deemed impossible within the time at our command. I need not enter into the details of the hurry of getting troops away by the 1st of October, but it was regarded as impossible to carry out that recruiting, especially as not only from the troops in camp but also from the reports that were coming from the militia in Nova Scotia, it was found that Major Struan Robertson was not regarded as the best leader of men from that province.

At the last moment we permitted Major Robertson to recruit men from Toronto, from the Maritime Provinces, or from any part of the country in which he could get them, and in that way he increased the strength of his regiment up to 650 or 700 men.

Let me say here that a more athletic, bright-eyed or soldierly looking lot of fellows than the Nova Scotians could not be picked up anywhere under the sun. We recognized that; they knew it without our recognizing it. An arrangement seemed to have been entered into, however, by two or three of the senior officers, without consultation with the company officers or with the men, that they should form a little close corporation of their own, and tolerate nothing which would not have the effect of keeping these men at its head. The proposal that the regiment should remain behind, enlist to full strength and go across the water later, was not received with favour. Many of the officers and men expressed the view that if this suggestion were carried out they would be looked upon as

dodging the issue, shirking their work, or showing the white feather; and these were qualities which they did not wish to have attributed to them or to their province. That proposal was, therefore, rejected. Perhaps before mentioning this phase of the matter I should have referred to the fact that Nova Scotia and New Brunswick had each half a battalion of home men. It was proposed that there should be a Maritime Province battalion similar to the one the formation of which was recently started but not completed, the idea being changed to that of giving each province a battalion for the third contingent. The proposition to have a Maritime Province battalion, while acceptable to a great number of officers and men, was indignantly rejected by Major Struan Robertson and the two officers who were associated with him. The reason was evident. Colonel McLeod, being the senior officer, would take command of the regiment and these other gentlemen would be relegated to subordinate positions. That proposition, therefore, also fell through. Week in and week out, until the week before the troops sailed, I did my level best to bring about a happy solution of this Nova Scotia difficulty, but any suggestion, the carrying out of which would not keep Major Struan Robertson in command, and the officers associated with him in second and third positions, was rejected. I made the suggestion that, as it was desired that Nova Scotia should be definitely represented in the first contingent, one composite or individual company—that splendid company from the town of Truro, for instance—should be sent as representing the province, and that the others should remain at home and recruit to full strength. That proposal was also rejected; therefore the regiment had to be allowed to sail. The regiment was gazetted, Major Robertson was put in orders as Lieutenant-Colonel commanding, with Colonel Cameron as second in command and Colonel Andrews as junior major. The regiment sailed, and from that hour up to the present I have neither directly nor indirectly had anything to do with the matter. I have received scores of letters from officers and men complaining of the treatment accorded them; I have never answered these letters. I did send a cable in answer to Captain Allen, declining to receive any communications from him, and advising him that the commanding officer, General Alderson, was the proper person to whom to send any complaints or any communications upon matters affecting the regiment. I did not interfere with the regiment, either directly or indirectly, when the accountant and paymaster general of the Militia Department was asked why the returns from the regiment came in so late. He communicated the definite reply from Colonel Ward, paymaster of the regiment in England, that Colonel Ward had tried to get from the Nova Scotia regiment the commanding officer's attestation papers, but that up to the middle of December he had failed to do so. He commented in very strong terms upon the incapacity of this officer. However, I have had nothing to say in the matter; for various reasons I declined to interfere.

Reference has been made in the communications which have been read to the committee as to my having made some remarks to the regiment. I would like to have had those remarks reported. I admit frankly that I did not compliment the three officers who had, in these and other cases, prevented the formation of the regiment in such manner as to reflect credit upon the service. But the men, as I said then and say now, were in every respect a credit to the province of Nova Scotia, in conduct, in drill, in rifle shooting, in soldiery bearing, in all that goes to make up a good soldier.

Twelve regiments were selected for the front from Salisbury Plain. A division is made up of twelve regiments, and it was known before the troops left Canada that several regiments would have to remain behind when the troops went to the front. When the division was formed at Salisbury, five regiments were left behind. One of these has been formed into a cavalry regiment; four regiments, therefore, of the original lot of 33,000 men, are still in England, and will from time to time make up losses in the regiments at the front. Unfortunately, casualties are occurring from day to day; these men will in turn, be drafted over to take the places of those who have suffered casualties. A number of the Nova Scotia boys have already gone to the front and are doing splendid service with the Princess Patricia regiment. I understand that some of the officers also have been taken. I have every faith in the Canadian officers in command of the troops, and I have sufficient confidence in the British officers to be able to say that no injustice would

be done to any Canadian regiment. The units of the Canadian forces are all treated as being on an absolutely equal footing.

Mr. SINCLAIR: I was inclined to think, when I first read it, that the publication of the article by Mr. Crowell was a mistake, but I did not know at that time that he had so much evidence to justify his statements. It seems to me that while it is not wise to ventilate these military matters too much while the war is in progress, there is sufficient evidence before the minister to require a full and clear explanation, not only on the part of the officers and the men who have gone to the front in this battalion from Nova Scotia, but also on the part of the numerous relatives of these officers and men in that province who are very much disturbed over the statements that have been made in the press. I think it is due to the minister that these matters should be cleared up and that the truth should be given to the public, who are so deeply interested. It appears that at the time Mr. Crowell wrote the letter for the Morning Chronicle he had ample evidence before him. The letter that was addressed to the Prime Minister contained the statements that are made in Mr. Crowell's letter. The other letter addressed to the hon. member for Queens-Shelburne (Mr. McCurdy) contains the same statements, and they must have been in the possession of members of the Government now for some time. A memorandum has been placed in my hands which gives some further proof corroborating the statements of Colonel Struan Robertson and the other two or three officers who signed that document. A large number of other parties, many of whom are now in Canada, and no doubt could be produced as witnesses, have corroborated what Colonel Struan Robertson said, and what was published in the Morning Chronicle. Let me read this memorandum:

We, the undersigned officers, non-commissioned officers and men of the 17th Nova Scotia Battalion, having read the article published in the Morning Chronicle of Febraury 25, 1915, signed by H. C. Crowell, do hereby certify it to be a true statement of the facts concerning the treatment of the said battalion, so far as our knowledge goes, and we have a personal knowledge of most of the facts therein stated:

Halifax, N.S., March 16, 1915.

Sgt. H. Simpson, 374 Dundas st., Toronto.
Pte. William Robertson, 103 Grange avenue, Toronto.
H. Clarson, 849 Oxenden avenue, Montreal.
G. Goble, 617 or 618 Albert st., Stratford, Ont.
G. Friend, 128 Friel st., Ottawa.
W. F. Sudbury, South Side, Prince Edward Island.
C. W. Ren, 990 Verdun avenue, Montreal.
W. H. Smith, Victoria, B.C.
Lawrence Sheridan, 62 Besserer st., Ottawa.
H. Lawson Davis, 1946 City Hall avenue, Montreal.
W. A. Robida, 44 Gillespie st., Sherbrooke, Que.
Edmund James Clark, Annapolis Royal, N.S.
Frank Sentner, Trenton, N.S.
David Walters, Cayuga, Ont., Box 63.
F. C. Potts, 2136 15th street west, Calgary, Alberta.
A. E. Ryder, 13 Morris ave., Hamilton, Ont.
H. Dobson, 557 La Salle Road, Verdun, Montreal.
S. Hunter, Hamilton, Ont.
W. Wilde, 248 Dellivers st., Montreal.
W. Young, Toronto, Ont.
F. Whymps, Montreal.
H. Beaudon, Montreal.
Corp. Steve Johnstone, 711 Indian Road, Toronto.
J. Carroll, 136 Young st., east, Hamilton.
Norman Case, 140 Victor avenue, Toronto.
W. H. Stearn, Lakehurst, Ont.

It appears that Colonel Robertson was permitted to recruit men from other parts of Canada, as the minister has stated, and he did recruit a number of men. I presume the men who have signed this memorandum were among those recruited into the Nova Scotia regiment from other parts of Canada. I do not feel satisfied with the minister's explanation. Are we to believe that the statements that are made by Colonel Struan Robertson in regard to the minister's own conduct at Valcartier are all true and must be accepted by the country? If they are true it is an extraordinary position that the minister has taken. Why, let me ask, did the minister take such a position in regard to the soldiers who were sent from that province to fight for the Empire? I am not complaining as to what took place at Salisbury Plain because the officers responsible at Salisbury are not here and are not represented here. I have not a word to say about what was done at Salisbury Plain; but I think it is due to the House and to the country that the minister should give a better explanation than he has as to what took place at Valcartier. It is stated in the letter read by the hon. member for Richmond that on the 9th of November the Nova Scotia regiment was paraded before the minister, and that the minister said, in the presence of his staff of officers, that the Nova Scotia officers were cowards and wire-pullers, and that Nova Scotia was a two-by-four province anyway. I can hardly believe that a man occupying the position of Minister of Militia would so far forget himself as to make statements like that in the presence

of officers of other battalions. How could he expect these officers of the Nova Scotia regiment to respect him or to serve him as the head of our forces if he used such language as that to them in the presence of other officers? I think the language is very unbecoming, and I do not think the minister has at all justified himself in regard to that matter. What right had he to say that they were cowards before they had had an opportunity to show their courage? At that time they were simply in camp at Valcartier. How can he tell whether a man is a coward or not? I want to tell him that the men sent from Nova Scotia are not cowards, and also that Nova Scotia is not a two-by-four province.

Major General HUGHES: Did any of these men refuse to go with the first contingent? They wanted to go, not like his breed.

Mr. SINCLAIR: Then, why call them cowards, that the minister had no right to say to any soldier who offered his services to the Empire at a time like this and prior to his having a chance to show his mettle on the battlefield that he is a coward, and I resent such an expression on behalf of the officers of the 17th Regiment. I do not wish it to pass without giving my views on it. I do not know what right the minister has to say that Nova Scotia is a two-by-four province. I want to tell him that the smallest man in Nova Scotia is not afraid of him, and that he would not be afraid to attempt to knock the stuffing out of him if he got a chance. He might not be able to do it, but he would try; and if he did knock the stuffing out of him, if we are to judge by his appearance here to-night and the exhibition he has made of himself in this matter, there would not be much left.

There seems to have been ample proof in the hands of Mr. Crowell at the time he published the article in question that he had a perfect right to publish it and that it was his duty to do so. I think it is extraordinary. I expected the minister to give us some explanation; I did not expect him to allow such statements to go on record without either explaining them in some way or giving some reason for his extraordinary conduct. It appears that he admits the statements were correct—that he did call the officers of the 17th cowards in the presence of his other officers and spoke disrespectfully of the whole province of Nova Scotia; and I want the people of Nova Scotia to know what the minister has to say about them.

Sir ROBERT BORDEN: I regret that my hon. friend has found it necessary to procure and read in the House statements reflecting upon the treatment of Canadians by the authorities of the War Office. I do not understand what his motive can be unless he desires to inspire in the people of Canada a distrust in the Imperial authorities at this juncture in our affairs. If that is his motive—and I do not know of any other motive that he could have had in procuring the statements and reading them to the House—then I say it is a motive which does no credit to him under present conditions.

Major General HUGHES: It is generally well known that no one in this House, either on this side or the other side, pays much attention to anything the hon. member for Guysborough (Mr. Sinclair) says.

Sir WILFRID LAURIER: Order.

Major General HUGHES: Does the hon. gentleman dispute it?

Mr. PUGSLEY: Yes, it is disputed.

Major General HUGHES: The hon. gentleman (Mr. Sinclair) must not put words into my mouth. I distinctly denied having made any such speech, but he cannot draw me into any dispute over the matter contained in that letter. The letter carries on its face its own condemnation. The hon. gentleman is good at boasting of his bravery. He is not at the front; he has never volunteered for this or any other service.

Sir WILFRID LAURIER: It is well known that in this country, as well as in the Mother Country, the military power is subject to the civil power. Military men, like men in civil life, are not infallible. My hon. friend brought to the attention of the committee information which he has had that certain language had been used by the Minister of Militia on a certain occasion. If the Minister of Militia had used such language everybody must admit that he would have been greatly in the wrong. The minister repudiated it. He says that he has not used such language, and we have to accept his word.

Major General HUGHES: The minister repudiated it before the hon. member for Guysborough spoke.

Sir WILFRID LAURIER: He brought this to the attention of the House and gave the minister an opportunity of repudiating it. My hon. friend now states that he did not use the language. If the minister states that he did not use such language, that is enough for everybody.

Major General HUGHES: It should have been, but it was not.

Sir WILFRID LAURIER: My hon. friend says that he did not do it, and we must accept his statement, but we say that if he had done it he would have been greatly in the wrong.

Sir ROBERT BORDEN: I might add to what my hon. friend the Minister of Militia has said that when this letter, which has been read in the House, came to my attention it contained some statements attributing to the Minister of Militia language of that kind in regard to the officers in question and in regard to the province of Nova Scotia. I brought the matter to his attention, and he most indignantly denied to me that he had ever used any language of the kind.

Major General HUGHES: I might say—not that I care a snap of the finger for the whole matter—that one of the officers who signed it did so because he was asked to do so. I have a declaration—I did not think it worth while to bring it to the House—stating that the whole thing was a tissue of falsehoods and that he was asked to sign it in order to get a set of flags for the regiment.

Sir WILFRID LAURIER: My hon. friend the Minister of Militia must not snap his fingers so easily as that. My hon. friend can lose his temper, and I think that is what has happened to him. The atmosphere has been thick with the rumours and reports of strong language used at Valcartier. They may be true or they may not be, and if the hon. gentleman says that this is not true we must accept his word. So far the incident is at an end, but it is right that upon the floor of Parliament the minister should repudiate having used any such language if he has not done so. It is better for himself, and it is in the interest of his department that he should have an opportunity of setting the matter right as soon as it could be set right.

Major General HUGHES: The right hon. the leader of the Opposition must remember that I am not finding the slightest fault with the hon. member for bringing the letter up. The only thing I find fault with is that an hon. member, who does not happen to be a military man, should read a letter in this House casting an aspersion upon General Alderson. Without a vestige of proof as to the truth of the statements contained in the letter, the hon. member for Guysborough (Mr. Sinclair), with characteristic fairness, tried to make a political attack.

Mr. SINCLAIR: I listened very carefully to the hon. gentleman speaking in the first instance. I expected he would deny the statement in the letter read by the hon. member for Richmond. But I feel quite certain that if he examines Hansard he will find that he did not deny it, and my reason for putting it so plainly to him was that he had not denied it. I am quite certain that he made no denial. He admitted that he had used very strong language and he admitted also that he had not complimented the officers. I referred to it only because the hon. gentleman had failed to deny it in his speech, but if he says now that he did not make these statements I must accept his denial.

Major General HUGHES: I said that I spoke in strong terms of the conduct of three officers--

Mr. SINCLAIR: Why?

Major General HUGHES:—but that I spoke in the highest praise of the rest of the officers and men. That was in my first statement. That would have been shown to be the fact had my language on that occasion been reported.

Mr. SINCLAIR: I would like to know why the minister spoke in strong terms of those officers. What reason had he to speak in strong terms of the officers of this regiment? If there is a reason let us have it.

Mr. PUGSLEY: What do you call strong terms?

Mr. CARVELL: I would like to ask the minister a question. I do not want to ask him anything that I ought not to ask in his capacity as a military officer. Would he give the committee the status of the 12th battalion?

Major General HUGHES: That is one of the details of the brigade which was left at Salisbury.

Mr. CARVELL: Why was the New Brunswick battalion as well as the Nova Scotia battalion left behind? Probably he may say that this is a matter for the officers at

Salisbury Plain to decide. But if the minister has any information I can assure him that the people in New Brunswick would like to know the reason why. There has been a great deal of adverse comment in New Brunswick on account of it, along the same lines as the comment respecting the 17th. We never heard that the regiment, as a regiment, had been treated unfairly, but there is a great deal of wonder and comment in New Brunswick as to why this regiment, which certainly contained as good material as would be found in any part of Canada, had been left in England while practically all the rest of the force had gone across the water. We know that certain other corps forwarded from New Brunswick the engineer corps, for instance, were taken across and have been at the front because we are receiving letters from the boys and we know where they are and what they are doing.

Major General HUGHES: The artillery too.

Mr. CARVELL: The artillery were taken across, and there are a lot of good men in that corps. But it is a remarkable fact that the infantry regiment have been left in England. It looks as though there had been something like discrimination and that is why I think the minister should take us into his confidence, and tell us the reason why the infantry battalion were passed over or treated so differently from the engineer and artillery corps.

Major General HUGHES: I have no explanation whatever. We had nothing whatever to do with picking the regiments that were left at home. They are all good, all magnificient riflemen. There is no New Brunswick regiment, I may inform my hon. friend there are a lot of splendid fellows from New Brunswick, and they are allied with the boys from Quebec, the British and French stock from Quebec, and they constitute one of the best regiments in the service. The only thing that can be suggested is that Colonel McLeod was taken ill with pneumonia; he was laid up for some time, and therefore was not able to keep in touch with matters. We have had nothing to do with the question as to which regiments should be taken and which left.

Mr. CARVELL: There are other officers besides Colonel McLeod. I do not know that I would be doing myself justice if I did not state that the gentleman, who I understand, is second in command, Major Guthrie, is just as good an officer as Colonel McLeod. Perhaps I may be pardoned for saying that there are a good many people in New Brunswick who have just as much confidence in his military ability as they have in the military ability of Colonel McLeod. It does not seem that the temporary illness of Colonel McLeod ought to be sufficient excuse for these men remaining where they were. Is Colonel McLeod still in command of the regiment?

Major-General HUGHES: I understand so; I have heard nothing to the contrary.

Sir ROBERT BORDEN: There is naturally a good deal of impatience and regret among all the regiments which have been assigned to duty in England, that they were not allowed to go to the front at once. We have reason to know that, and it is greatly to the credit of the officers and men that they should have so keen a desire to proceed to the front and engage in active service. Assuming, as we are bound to assume, that the efficiency of all these regiments is practically the same, my hon. friend (Mr. Carvell) will remember that it was absolutely necessary that some should remain in Great Britain, whose services would be utilized in the way the Minister of Militia has described. I took the responsibility at the Valcartier camp of deciding that all the forces there assembled should go forward, and I took that course for the reason that they were assembled; that they were all ready, and that they were all keen to go. There was no arrangement made in Canada as to which should go to the front first, and it was believed at that time that our men would go to the front much earlier than actually happened. We knew from the information afforded to us by the War Office that very large reinforcements might be required in the immediate future, and as the men were assembled there, and as transports and convoys for a large fleet of transports could be secured, it seemed best that they should all go forward to Great Britain, complete their training, and be available in the immediate future to furnish reinforcements which could reach the front within five or six days. It was with that idea, after consultation between the Minister of Militia and my colleagues and myself that the whole force went forward. When the troops arrived in England, they did not go to the front at once, and naturally those who did not form part of the division when it did proceed were greatly disappointed. I am sure the people of this country will realize

that it is absolutely no reflection on those who remained behind that at the moment they did not go forward with their comrades, but I think they can have the assurance that at the first possible opportunity the War Office will avail itself of their services.

Mr. CARVELL: The Prime Minister makes a very plausible apology for the Minister of Militia.

Sir ROBERT BORDEN: I was not apologizing.

Mr. CARVELL: If I should ask for any information which the Minister of Militia or the Prime Minister does not care to give to the House, I will have no fault to find with them for refusing it. As I understand it, these regiments which are left behind in England will cease to exist as battalions, and I believe the 12th and 17th have already ceased to exist as such. Then, as I understand it also, when these men go forward they will not go forward as battalions, but simply as drafts to fill up vacancies in other battalions. Am I right in understanding that?

Sir ROBERT BORDEN: These are all matters that must be determined by the authorities at the War Office and by the General Officer Commanding, so that it is useless and undesirable for us to attempt to decide them here. As my hon. friend, who I understand is a military man—

Mr. CARVELL: I am not.

Mr. PUGSLEY: He is a colonel.

Mr. CARVELL: No.

Sir ROBERT BORDEN: Not even an honorary colonel?

Mr. CARVELL: Not even honorary.

Sir ROBERT BORDEN: Then he is not in the same class as my hon. friend from Pictou (Mr. Macdonald) and myself.

Mr. PUGSLEY: There has been a great discrimination in that.

Sir ROBERT BORDEN: Prompt steps should be taken to remedy a discrimination of that kind. Our overseas forces are under the direction of the War Office. They were enlisted as Imperial troops, and the direction of them must remain with the War Office.

Mr. CARVELL: I suppose that is all the information the ministers feel like giving, and I do not wish to ask for more than they are willing to volunteer. Let me ask as to the status of some 150 or 160 officers who went over with the contingent without being attached to any particular corps, and some of whom have returned. I understood the Prime Minister to say that it was on his recommendation that these officers were allowed to go forward. I know that some of them have returned and I know that some have not, because there were three officers from my own neighbourhood who were included in the number, and two have come back and one has not. Is anything being done to find places for these gentlemen?

Major General HUGHES: Of course, the hon. gentleman refers now to the officers who have returned and who are capable officers and who are recommended. We are finding places for them as rapidly as we can. A great many of them have already been placed and we are doing our best to place them here, either as instructors or in the third contingent. Those who have remained in England are also being utilized to the best advantage. A number of them have taken service with British regiments, some have been drafted into other regiments, some went with the Patricias, and I am sorry to say that the casualty lists from day to day show that these details will not have long to wait before they will be in the firing line at the front. Some of the officers who have returned naturally feel aggrieved at not getting positions, but we are utilizing every man in some capacity or another. We do not know the exact number who are not yet employed, but they are very few.

Mr. CARVELL: Have all these officers been provided with pay and subsistence?

Major General HUGHES: They are all under pay.

Mr. PROULX: I wish to ask the Minister of Militia if Dr. Mignault, of Montreal, and some of the officers of the 65th regiment have asked permission to organize a French-Canadian contingent, and if so why did he refuse their request?

Major General HUGHES: I have great pleasure in correcting my hon. friend. There was an offer on behalf of a number of French-Canadian gentlemen for an hospital corps which we transmitted to the War Office which has charge of all these matters. The War Office cheerfully granted that request, and the corps is now formed. I do

not know who is at the head of it, but it is entrusted to the distinguished gentlemen of French-Canadian nationality, who are connected with the medical profession in Montreal. That hospital corps will soon be organized and ready for the front. As far as the French Canadian regiment is concerned, Dr. Mignault was active in organizing it; but like an old war-horse, he fell back to his old profession and went into the medical service instead of into the combatant service. He has done splendid work in organizing the 22nd Regiment, and he has already done splendid work in organizing a hospital corps, giving of his time and of his money.

Mr. PROULX: When he, with some military men from Montreal, came on a deputation last fall to see the Prime Minister and the Minister of Militia, did not that deputation ask permission to form a French Canadian contingent?

Major General HUGHES: I think so, and we gave them permission and they formed a splendid regiment. It is under Colonel Paquet at Amherst.

Mr. PROULX: Was not permission given to form only a regiment?

Major General HUGHES: That was all that was asked for.

Mr. PROULX: Did not they ask permission to organize a brigade?

Major General HUGHES: I have no recollection of their asking permission to organize a brigade. They would have to organize a regiment, because a brigade is composed of regiments. Our French-Canadian fellow-countrymen gave splendid service in the first contingent. The Maritime Provinces Regiment, the Quebec Corps, the Montreal Corps, the Northwest Corps and some of the Ontario Corps have a number of our French Canadian fellow-countrymen with them giving good service. Colonel Meighen speaks in high terms of them. Colonel Farquhar spoke in the highest terms of Lieutenant Papineau. Those who have written home from the front all speak in the highest terms of the French-Canadian boys. We have the 22nd Regiment; we have another regiment organized under Colonel Archambault, who was given command some days ago. Colonel Paquet is going to form another one. It will only be a few days until it is formed. That will make three regiments composed solely of French-Canadians. I venture to predict that they will do splendid service at the front.

Mr. CARVELL: I am very glad to hear the minister make that statement, because there has been a campaign carried on in certain portions of Canada for the last six months alleging that the French-Canadians have not done their duty in this war.

Major General HUGHES: And the English-Canadians too.

Mr. CARVELL: I have heard it dozens of times. I have read it in the newspapers in the Maritime Provinces friendly to the Government, and it has been the one unpleasant aspect of the discussion of this war in the public press of Canada. In the first place I am glad that the hon. minister makes that statement, and in the second place I congratulate him very highly for having the manhood to stand up and tell the exact truth. I hope that when this war is over, we shall hear no more in Canada about the French-Canadians not having done their duty.

Major General HUGHES: There has been all sorts of tittle-tattle, but we do not pay any attention to it. There are some who say that the British-Canadians have not done their duty. Some of the first regiments which went forward were chiefly made up of British-born men who had settled in the West, but they were practially Canadians, having lived in this country for five or six years or more. I can point to many French-Canadians and British-Canadians who have done splendid service. I just want to say that there is nothing whatever in the stories that have been sent out. Every Canadian whether British or French, has done his duty splendidly.

Mr. DAVIDSON: I would like to point out to the hon. member for Carleton that it is quite usual for persons to criticize, perhaps not too wisely, persons engaged in military matters. I recall to mind a very distinguished officer who was very roundly censured and was referred to in this House as an Englishman by the name of French; but it did not hurt his reputation or injure his status at all in the British army or in the opinion of his countrymen.

Mr. PROULX: I am glad that the facts have been elicited, and that the hon. minister has acknowledged that the French-Canadians have done their duty as well as those of other nationalities have done. I can corroborate what my hon. friend the member for Carleton has just said. I have

read in many English newspapers in this country allegations that the French-Canadians have been very remiss in enlisting and in doing their duty towards the Empire. The other day the Saturday Post, of Winnipeg, cast a reproach upon the French-Canadians for not enlisting. What I did not like last fall was that the minister was too lax in acknowledging the fact that the French Canadians had enlisted in large numbers. The first time that he admitted the fact was when a deputation from Montreal, composed of Dr. Mignault and some of the officers of the 65th regiment, came here to ask permission to organize a brigade. Before that, some important newspapers like the Evening News of Montreal had stated that very few French Canadians had enlisted. That was done for a purpose. There was talk of an election at that time, and reflections were cast on my right hon. friend the leader of the Opposition. Endeavours were made to create the impression throughout the country that the French-Canadians were not loyal, and that my right hon. friend the leader of the Opposition could not be trusted to form a Government while the Empire was at war. My hon. friend the Minister of Militia and Defence had a knowledge of the facts all that time, and he never admitted them until he was forced to do so when the deputation came here.

Mr. CARVELL: I am somewhat obliged to my hon. friend the member for Annapolis (Mr. Davidson) for referring to a remark which I made in the House a year ago. Fortunately I have before me every word that I said. I am going to read it now to the House, and I hope that my hon. friend will be daring enough to go back to his newspapers and ask them if they will publish every word instead of the garbled reports which they have been publishing throughout this country for the last six months. Perhaps my hon. friend the minister does not know it, but in one of the campaign sheets which his friends sent out as far back as November last, was a report of the statement that I made in the House on the first day of June. I cast no reflections whatever upon the honour, ability or integrity of Field-Marshal Sir John French. I was discussing in this House on the first day of June last the general staff of the minister, and I had discussed it in this House before; and the general staff that is in existence now was not the product nor the result of the conduct of the present minister. I condemned it before he became minister, and I have condemned it since, and I condemn it now. I am not going into any discussion of it; but I think, if I wanted any justification for my remarks a year ago, the results of the last six months have amply justified my opinion. That, however, is a matter which we may discuss later on in this debate. For the benefit of my hon. friend from Annapolis, I will read what I said about Sir John French. My hon. friend will find my remarks on page 4620 of the Revised Hansard under date of June 1, 1914. I sent out a few moments ago for the unrevised Hansard, but I was told that the distribution office did not have it. I can assure my hon. friend that there has not been an "i" dotted or a "t" crossed between the unrevised and the revised. This is what I said about Sir John French:

> I am glad to hear the minister admit that he can get along with a smaller engineer service corps, although he refers only to the regular corps and not to the militia.
>
> In my humble judgment he could get along without a whole lot of militia engineer companies that he has at present. The principal cause of the trouble with the minister and his top-heavy militia is the report of a general by the name of French, who came to this country some years ago, and in my judgment his visit was one of the greatest misfortunes that has befallen Canada.

Some hon. MEMBERS: Hear, hear!

Mr. CARVELL: Just at this point my friend's friends all over Canada stop. They have not given the rest of what I said, but I am going to give it now. I know my friend from Annapolis is the last man who would have the manhood to get up in his constituency and repeat what I am about to read.

Some hon. MEMBERS: Order.

Mr. CARVELL: No "Order" about it. He deserves this. (Reading):

> General French may be all right from the English standpoint. He is a general of distinction, but he is a man who has been educated entirely along different lines from those which the conditions in Canada present. His life has been spent soldering, he is a born soldier:

Do hon. gentlemen opposite find any fault with that? Do they send that out in their campaign literature? Not by any means. (Reading):

> —he does not believe a man has any business working on a farm or in a factory or anywhere else, except a few who should work in order to make money to keep the soldiers. If you had half the people in the Empire in the army you would not have enough to satisfy General French. I told the late Minister of Militia publicly and privately that in adopting the ridiculous and unreasonable report made by this

gentleman, he had committed a great mistake. It might be all right if General French was reporting on the conditions in Bulgaria, or Russia, or Germany, or even in Italy, but when it comes to a country like Canada where there is not a possibility of trouble, his ideas are ridiculous. There is no more possibility of a war breaking out between Canada and any country in the world than there is of the Minister of Militia or myself committing suicide between now and tomorrow morning.

Some hon. MEMBERS: Oh, oh.

Mr. CARVELL: Let my friends just have patience. The trouble is they have not read what I stated. (Reading):

> There might, of course, be a possibility of the Empire being at war and we might find it our duty to volunteer, as in the case of the war in South Africa.

The Empire war has come. And we have volunteered. And I want to tell my hon. friend from Annapolis that within a fortnight after the war broke out I personally went to the Minister of Militia and volunteered my services as an officer, and told him that if he would allow me I would raise a battery of artillery and would take it. I went back to him before Christmas and repeated my request. I wonder if my friend from Annapolis has done as well as that. Why, he would run so that you could not see his heels for dust. Talk about the man from Annapolis volunteering to fight anything! The idea is preposterous. No wonder he grins like a Cheshire cat over there. I hope he will have the manhood to go back to his constituency and read what I say here tonight, and read also what I said on the 1st of June last. Then I want him to be man enough to offer his services or try to do some little thing to maintain this Empire in this great war, and not come here and be small enough to throw mud at the men who have tried to do something for the Empire's cause.

Mr. MARCIL: I desire to ask the Minister of Militia a question for information with regard to the enlisting of French-Canadians. I understand that in the first contingent there was a very large proportion of French-Canadians. What was the number?

Major General HUGHES: We have never made up the statement on the lines of nationality.

Mr. MARCIL: I understand there were fully 2,500.

Major General HUGHES: I do not know. We have not taken the figures that way.

Mr. MARCIL: I understood that three regiments were being recruited. How many would that represent.

Major General HUGHES: That would mean 3,000 men besides those
10 p.m. who went in the first contingent, or with the various artillery corps, the medical corps, the army service corps—oh, they have done splendidly.

Mr. MARCIL: There were many French-Canadians from New Brunswick and a lot from the Northwest.

Major General HUGHES: Not that I am impressed by the sympathy of my hon. friend from Prescott (Mr. Proulx), but I have always been proud of my fellow-countrymen, the French-Canadians, especially since the outbreak of this war. They knew that. I have said behind the scenes what I state openly, that I am proud of the splendid way our men have come forward. For the first contingent the country boys all over had no opportunity to enlist, for it was raised very rapidly; the news hardly reached the remote settlements before the regiments were full. I passed a French-Canadian station between here and Valcartier and saw on the platform a lot of fine young men. I asked if any of their men had gone to the front. They said: "No, we can't go." "Why?" "No men are being taken from here." I said: "All you have to do is to enlist." But they did not know how to enlist. I had the matter brought to the attention of the officers, and inside of a week fourteen of those boys joined the corps. There was a splendid response wherever the boys had an opportunity. The same was true of Ontario among the English-speaking population. But they had really no opportunity to get into the first contingent.

Mr. MARCIL: I take it that, from what the minister has said, allowing for the number who volunteered in the first contingent, the French Canadian regiments that are being formed, the men enlisting in the Maritime Provinces and the West, and the men who went with the medical corps and other bodies, close upon 10,000 French-Canadians must have enlisted for this war.

Major General HUGHES: I could not give the figures, but there are 3,000 infantry men and 4,000 or 5,000 others and probably more.

Mr. MARCIL: I make this remark in justice to the men who have enlisted and to the province of Quebec. Many things

appear in the French Canadian press which are not read in the other provinces. Our people read the press of the other provinces, but unfortunately the people of other provinces do not read the French Canadian press of Quebec. They do not get the information which they ought to have. Last night I congratulated the hon. member for Welland (Mr. German) upon the contributions from Port Colborne, in his constituency. But the remarkable fact is that the province of Quebec has contributed $1,450,000 to the Patriotic Fund, while Ontario, with a population of about a million greater, has contributed only $1,200,000. Taking into account the population and resources of the people, I think Quebec has done magnificently.

Mr. SAM SHARPE: Can the hon. gentleman tell us what proportion was contributed by Montreal and what by the rest of the province?

Mr. MARCIL: I cannot; Montreal is included as a part of the province of Quebec.

Mr. SHARPE: Yes, but the financial institutions there contributed a considerable proportion.

Mr. MARCIL: I thought the hon. gentleman would be glad to know that Quebec had made so good a showing in such a patriotic way.

Mr. DAVIDSON: I desire to make a few remarks in comment upon the very characteristic utterance of the hon. member for Carleton, New Brunswick (Mr. Carvell.) I made what I supposed was an innocent remark and was somewhat surprised to find that it met with such a vivid retort; though, knowing his disposition, I suppose I ought not to have been surprised. The hon. gentleman made a very great display of courage. I do not know that I could object very much to that if he had not seen fit to institute a very unfavourable comparison between himself and myself in that regard. I do not pretend to be anything of a lion, but I do with the greatest emphasis assert that I object very much to having it understood that I have not as much courage as the hon. member for Carleton. I do not pretend to be brave or warlike, but when it comes down to hard courage I think I possess quite as much of that commodity as my hon. friend. He asserted that he was very anxious to act as an officer when this war broke out; that he offered his valuable services in that capacity, and that they were not accepted. I am not surprised that his services were not accepted. A gentleman who would say that the well-considered report of the man who is in command of the British forces is nonsense, a man who would criticize Field Marshal French in the terms which he read to the committee tonight, would, I think hardly be a fit and proper person to serve under this commander. If my hon. friend were to enlist, I am afraid there would be a movement on foot among his friends to have him supersede Field-Marshal French. If my hon. friend had been animated with so much patriotism; if that courage, an exhibition of which we had to-night, did so consume him, he would have had an opportunity, I am certain, of serving his country; he might have gone into the trenches, in a capacity which would be more commensurate with his ability; a place where he might do some good. My hon. friend objected to my reference to his speech. I do not see that anything that he read from Hansard established the fact that my reference was unfair; I think he even made a bad matter worse. I noticed, however, that certain remarks that he did make in the course of his speech, he did not read to the committee. My hon. friend last year was incensed with a great horror of war, a great objection to things military. Anything in the shape of a soldier was very offensive to him. Referring to the brave men who today are at the front fighting our battles, he used these words: "The men there are dudes, lying around and drinking booze." He attacked Field-Marshal French; he said his report was worthless. He referred to him in what I regard as an insolent manner: "an Englishman by the name of French." He attacked members of our militia, and, not satisfied with that, he proceeded to attack even the good old Fenian raid veterans of Nova Scotia, charging that they were perjurers and that sort of thing. But now my hon. friend, who so despised anything military last year, comes forward before his leader and goes through this by-play of offering to act as an officer, when he knows that he would not be accepted. My hon. friend to-night assumed the roar of a lion, but concealed merely the bray of the jackass.

The CHAIRMAN: After these two speeches I think it is my duty to remind the committee that the item under consideration is $174,000 for salaries.

Mr. GRAHAM: I think it is as well, after the speech that we have just had, that, lest the attention of the country be called away from it, emphasis should be laid upon the fact that in this country no distinctions of nationality are drawn as between the different classes of men who are volunteering for service. There is a higher and broader standpoint from which to look upon this matter than that of any little political capital that may be made, one way or the other. There is no difference of opinion between our nationalities in this country as to what our duty is and as to our willingness to perform that duty. I think what has been said to-night will stop any talk along that line. It was with regret that I had these things said to me in the course of private conversation; on such occasions I have endeavoured always to straighten them out and to point out that these things might be considered in a light which would be absolutely unfair to portions of the community. Some people forget that to the Canadian boy war was a new thing; the situation in which we were placed was so new to him that he was not, for the moment, seized of his duty. Our friends who came to us from the old land were reared in a different school. Immediately upon hearing the sound of the alarm, they understood its meaning, and many of them enlisted at once. As soon, however, as the Canadian-born boy's duty was impressed upon him, no matter what his parentage, he rose to the occasion and is now ready to do his full duty just as well as the British-born subject does his.

Major General HUGHES: I have never brought these questions up; frankly, I have always dodged them, as I believe that it is in the public interest to discuss them only when the issue is properly before the people. I would point out that many of the splendid Englishmen, Scotchmen and Irishmen who came to Canada were single men, whose relatives were not with them. They were living on homesteads in the Northwest, working on the railways, in the mines and forests, as labouring men or farmers; as mechanics in the cities and towns. They had no incumbrances, and the moment the call to arms came, they were ready to jump into harness. Our boys on the farms had to think about it. They did come on in splendid numbers, though; the regiment commanded by Colonel Watson of Quebec, which comes from the eastern part of the province of Ontario, was made up entirely of boys from the farms of Ontario; so with other Ontario regiments. Here is another phase of the matter: read the Canadian casualty lists and you will be amazed when you observe how many United States-born volunteers are fighting with the Canadian troops. A couple of dozen of persons from the United States have already fallen at the front. There are hundreds of Americans in the service, fighting not for the adventure, but for the principle of liberty. From the outset I have recognized, publicly and privately, that our French Canadian fellow countrymen have done splendid service. We are organizing another French Canadian regiment; another could be filled inside of a week and fill another one immediately afterwards, if it were required. They are doing their duty splendidly.

Allowances, active militia, $130,000.

Mr. GRAHAM: Since the outbreak of the war there have been several promotions of officers in the inside service of the Department of Militia. I am free to admit that the officers of the Militia Department have had thrust upon them a great responsibility and an immense amount of work. I feel that I can speak for every member of the House in saying that the honours thus conferred on the officers of the Militia Department have been worthily conferred and I would like to offer my congratulations to the officers of the department, beginning with the minister himself and including the deputy minister, on the promotions that have come to them. No matter how we may differ as to the manner in which some of that work devolving on the officers of the department has been performed, the work has been of a most arduous character; and I can readily understand that they have been at a great nervous tension for a good many months. I think the honours which have been conferred have been worthily bestowed.

Major General HUGHES: On behalf of the officers I thank the hon. member for what he has said. Referring to the item before us, the allowances are for command pay, drill instruction, postage, and trumpeters' and signallers' gratuities on qualifying. A great many extra trumpeters and signallers have qualified and they receive a small gratuity on doing so.

Mr. CARVELL: The minister referred to members of the active militia qualifying. Would he tell me whether, if an officer goes to Kingston or Halifax and takes a qualifying course, that is charged up to the ordin-

ary revenue account or the special war vote? From the returns it would appear that almost everything in regard to the militia has been charged to the war vote.

Major General HUGHES: The expenses of officers for the militia are charged to the training vote, and for overseas to the war vote.

Mr. CARVELL: Does it not appear to my hon. friend that he might reduce the $130,000?

Major General HUGHES: These are for the militia officers all over the country.

Mr. CARVELL: One would think that practically all the militia training now would be with a view to overseas service. I understood from the minister that these expenses are defrayed out of the war vote.

Major General HUGHES: Oh, no. I have the details by divisions for command pay, drill instruction, etc. For that alone there was a considerable increase. The new corps that have been established involve quite an addition to the expense.

Mr. CARVELL: Are non-coms. and men of the ordinary active militia being trained except with a view to overseas service? For instance, take the expense for drill instruction. The annual drill has been abolished, and I think rightly, and I congratulate the minister on dropping that $2,000,000 of expenditure. Why is it necessary, then, to keep paying out money for drill instruction?

Major General HUGHES: This is for command pay and drill instruction. We must keep these officers, they receive so much each year for care of arms and drill instruction.

Mr. CARVELL: My own old corps, the 10th field battery, has no officers; there is no battery and there are no arms.

Major General HUGHES: I understand they are training officers for that very battery, and that applications have come in.

Mr. CARVELL: I did not know that, but I know that the battery has gone to the front.

Major General HUGHES: Every corps that has been depleted for the front is being filled up again as rapidly as possible, and some of them have been filled two or three times over. Corps with a strength of 700 or 800 have already sent to the front twice as many men as their regular establishments.

[Mr. Carvell.]

Mr. CARVELL: That course has not been carrid out in regard to my own old corps, the 10th Field Battery.

Mr. PUGSLEY: This is the first opportunity we have had of discussing militia matters in general, because we have had no discussion when the Speaker was in the Chair, as we on this side of the House have not insisted upon our rights, but have been quite willing to take up the Estimates whenever the ministers were ready. Might it be understood that on some of these items we might discuss all military matters if we desired to do so?

Major General HUGHES: As far as I am concerned that could be done.

Mr. PUGSLEY: What arrangements has the minister made as to the appointment of censors throughout Canada?

Major General HUGHES: Wherever there is a cable or Marconi station we have censors, and we have some at headquarters here.

Mr. PUGSLEY: What are the average salaries paid them and how many are there?

Major General HUGHES: There are 13 censors, 40 assistant censors and 78 decoders. There is a cable station and a Marconi station with officers receiving cablegrams. The deputy chief censor receives $10 a day; the censors, $9; the assitant censors, $7; and the decoders, $3.50.

Mr. PUGSLEY: Is $10 a day paid to the chief censors all over the country?

Major General HUGHES: There is only one—Lieutenant Colonel Hamilton.

Mr. PUGSLEY: Is he obliged to give all his time to the duties which he performs for the Government?

Major General HUGHES: Night and day; his office is open all the time.

Mr. PUGSLEY: It is rumoured that he has been engaged in writing party pamphlets for the Conservative party since he has been appointed.

Major General HUGHES: I am in the fortunate position of having never seen a party sheet, either of the boozorium literature or the Tory literature.

Mr. PUGSLEY: My hon. friend is wise in not paying attention to verbal or newspaper criticism, because if he did he would find that the criticism of him has not been greater on the Liberal side than on

the Conservative side. My hon. friend is wise in not paying much attention to the grumblings and complaints that are made in regard to his actions in the discharge of his important duties. Are there censors at St. John?

Major General HUGHES: Wherever there is a Marconi station there are censors. I understand that there are three at St. John.

Mr. PUGSLEY: The other evening my hon. friend the Minister of Marine and Fisheries (Mr. Hazen), who is usually very intelligent and very well informed, was putting his Estimates through and I made inquiries as to the censors at St. John. The minister was unable to tell me anything about them, but he said that the Minister of Militia would be able to give me that information. So now, I avail myself of the opportunity of asking the Minister of Militia how many censors there are at St. John, what salaries they are receiving and what their duties are.

Major General HUGHES: I received the information from my hon. friend the Minister of the Naval Service, who has been kind enough to tell me that there are three.

Mr. PUGSLEY: What are their salaries?

Major General HUGHES: There are three censors at Partridge island, and they receive $7 a day. I do not know their names.

Mr. PUGSLEY: I am told that their names are: Mr. Shaw, who is a young lawyer and a very deserving gentleman, Mr. Masters an insurance agent, also a deserving gentleman, and Mr. Crockett. I do not know his occupation, except it is that of a party friend and worker.

Major General HUGHES: Are they Tories? As a rule they are Liberals.

Mr. PUGSLEY: I do not know, I am sure, as to that. My hon. friend can guess as to their political complexion when he knows that they were recommended by the Minister of Marine and Fisheries. He would not be so forgetful about the claims of party friends as to recommend gentlemen on our side. I do not blame him for that. What are the duties of these censors and how many despatches go through the wireless station at Partridge island in the course of a day? The feeling of a great many people is that three censors at Partridge island are entirely unnecessary. The statement made to me is that each of these censors performs his duty about two days in the week and rests from his arduous labours during the remaining five days.

Major General HUGHES: I will be only too glad to get the information as to the duties of these gentlemen. They revise all the despatches that go through. Anything of an improper character will be stopped. They have to send a copy of every one of these despatches to the chief censor daily for criticism. They are supposed to give all their time to their duties. I will make inquiries.

Mr. PUGSLEY: I would like to find out how much has been paid to each of these gentlemen from the time of his appointment to the present and the number of despatches censored weekly.

Major General HUGHES: We will find that out.

Mr. PUGSLEY: It may be that my information is entirely unfounded. It may be that these gentlemen are earning, by the power of their intellects, not by the sweat of their brows, the salaries that they receive.

Mr. MARCIL: I had a question on the Order Paper the other day which the right hon. the Prime Minister (Sir Robert Borden) refused to answer on the ground that the information was confidential. The question had reference to the anchoring of the fleet in Gaspé bay. I wanted to make the best showing I could for Gaspé bay; it is a magnificent sheet of water, and I wanted to bring out its good points. I asked certain information about the number of boats that were anchored there while transporting the Canadian contingent, but I was unable to get a reply. However, I have received from Salisbury a post-card giving the names of all these boats, the depth of water at the anchorage and so on. The information is entirely public. The Prime Minister said that these matters were confidential and that he did not like to answer my question. I want to call the minister's attention to the fact that the Montreal Star, the day after the contingent arrived in England, published a page or two containing much more information than I asked for in my question. I do not know whether the Star did this under censorship or whether the censorship as to Canadian newspapers was in force.

Major General HUGHES: There were one or two parts of the question asked by my hon. friend (Mr. Marcil) that did not deal merely with these matters of anchorage

the best showing I could for Gaspé bay; and the like of that and which it was thought wer not to answer. As far as Gaspé basin is concerned, every one knows what it is; the charts show it. But I did not think it desirable to answer the other questions that the hon. gentl man asked.

Mr. MARCIL: Was it the censorship that was exercised over the Canadian papers which enabled them to publish this information only after the contingent had reached England?

Major General HUGHES: The papers have been very good. It was not deemed advisable that any reference should be made to the sailing of the Canadian contingent and the Canadian papers have been very loyal in observing the requests of the censors in this respect. It was requested that they should publish nothing about the sailing of the contingent until after they had arrived in England. The daily papers have done splendid service.

Mr. MARCIL: Is the censorship still in existence?

Major General HUGHES: Yes. I had the privilege for the first time of seeing Gaspé basin when the boys went away, and I entirely agree with everything the hon. gentleman has said. It is one of the most magnificent sheets of water that it has ever been my privilege to see.

Mr. GRAHAM: Will the pensions be paid according to the rank which the man held in the militia of Canada, or according to the rank in which he is serving in the war? There are many officers in the Canadian militia who are serving as privates in our overseas force; will they be pensioned according to their rank here or their rank on active service?

Sir ROBERT BORDEN: In the absence of any special provision, I think the regulation would be construed as meaning the rank which they held while in active service.

Mr. GRAHAM: Here?

Sir ROBERT BORDEN: No, at the front. Suppose a man holding the rank of captain or lieutenant in the Canadian militia, finding it impossible to get a commission should go to the front as a private, I should think under the construction of these regulations as they are framed at present although they are not yet passed, the pension would have to be determined by the rank held at the front. The pension regulations have not yet been passed, and I would be perfectly willing to consider any suggestion with regard to that matter. I did not ask that the pension resolutions should be considered to-day, as I thought it would be desirable to have suggestions from hon. members before we finally decided on their form.

Mr. GRAHAM: As the resolutions are at present drawn, I should think that a man who enlisted as a private, no matter what his rank in the Canadian militia, and who served as a private at the front, would only get the pension allowed to a private. I was asked the question by one of the men to-day, and my impression was the same as that of the Prime Minister. Whether or not it would be proper to change that I do not know.

Mr. MARCIL: If a Canadian serving in the militia of Canada is a captain in good standing, and has rendered good service to the country, and not being able to get a commission to go to the front, his patriotism impels him to go as a private, I think the country should recognize the position he held in the Canadian militia.

Sir ROBERT BORDEN: Something might be said on the other side, but I will not argue the other side for the moment. I shall be glad to consider it. We have examples of a great many men of high commissioned rank in the Canadian militia, who have gone to the front in very subordinate positions, rather than not have an opportunity to serve. Examples of that character are not confined to this country, because I understand there are two rear-admirals in Great Britain who, having no opportunity for active service in their rank, accepted service as commanders and as juniors to about 250 commanders, who previously had served in a rank far below them. It occurs to me that it would be rather difficult, indeed almost impracticable, to work out any arrangement as to pensions other than that which I have mentioned. But my mind is open upon the subject. My hon. friend and colleague, the Minister of Militia, has had his time so much taken up with other matters that I have been obliged to give my personal attention to the question of pensions, and I have had it more under consideration than he.

Major General HUGHES: A good many officers accepted service as privates, but that practice we have stopped. Realizing that a number of splendid men have ac-

cepted active service in a rank much below their rank in the militia of Canada, we have in every case guaranteed these men their rank and their status when they return from the war.

Mr. A. K. MACLEAN: Why are officers not now permitted to enlist as privates?

Major General HUGHES: The law is that before an officer can enlist as a private he has to resign his commission, and it was upsetting the internal economy of the force to have a man regarded as a private in one place and as a captain in another. In any event we thought we could utilize these men as officers, and we are watching that pretty carefully.

Mr. PUGSLEY: What is the Minister of Militia paying for automatic pistols, 45 calibre?

Major General HUGHES: I think it is $18.50.

Mr. PUGSLEY: I wish to call attention to the fact that on the 22nd of September an order in council was passed on the recommendation of the acting minister—who was acting minister at that time?

Major General HUGHES: I really don't know.

Sir ROBERT BORDEN: I may have been the guilty party, but I am not sure.

Mr. PUGSLEY: On the 22nd of September an order in council was passed on the recommendation of the acting minister, giving authority to purchase for the Canadian military forces 1,000 automatic pistols at a price not exceeding $18.50. What does the minister pay for ammunition for these automatic pistols?

Sir ROBERT BORDEN: I think I know what my hon. friend alludes to. A report came in from the deputy minister with regard to the purchase of ammunition which contained a clerical mistake, which was rectified as soon as discovered. I signed the report to council upon the recommendation of the deputy minister, not knowing the particulars, and the next day or the day after, the deputy minister discovered that there was a clerical error in the price fixed for the ammunition, and it was corrected in a subsequent order in council.

Mr. PUGSLEY: The correction appears to have been made on the recommendation of the minister.

Sir ROBERT BORDEN: I presume the minister had returned in the meantime.

Mr. PUGSLEY: It should have been $18.50 instead of $40.00?

Sir ROBERT BORDEN: Yes.

Mr. PUGSLEY: That explanation is satisfactory. As I understand it, .303, mark vii, small-arms ammunition, is the favourite ammunition.

Major General HUGHES: It is the latest.

Mr. PUGSLEY: How many millions of rounds of that ammunition are now under order by the department, being manufactured for the Canadian Government?

Major General HUGHES: 20,000,000 rounds—5,000,000 and 15,000,000 from the Dominion Cartridge Company. There is also an order for 10,000,000 from an American firm.

Mr. PUGSLEY: What are the prices charged by the Remington?

Major General HUGHES: $34 on some orders and $35 on others.

Mr. PUGSLEY: And by the Dominion Cartridge Company?

Major General HUGHES: $34 and $35.

Mr. PUGSLEY: What was the price early last fall?

Major General HUGHES: Last fall, in August or September, I was negotiating for some ammunition for the Imperial authorities. The price asked by one concern in the United States was $42.50 per thousand, and by another concern in the United States $37.50. That was the lowest price obtainable at that time. An offer was then obtained for 75,000,000 rounds at $33, the lowest price at which ammunition has been obtained from the beginning of the war. I understand that $47.50 has been paid.

Mr. PUGSLEY: Who gave that order?

Major General HUGHES: The British Government.

Mr. PUGSLEY: Through whom?

Major General HUGHES: The Minister of Militia for the Dominion of Canada.

Mr. PUGSLEY: Was it given by my hon. friend personally or through another party?

Major General HUGHES: It was given by the Minister of Militia personally.

Mr. PUGSLEY: Verbally or in writing?

Major General HUGHES: There was a regular signed contract.

Mr. PUGSLEY: Would my hon. friend bring down the correspondence with reference to it?

Major General HUGHES: No, I will not. It does not concern the Canadian Government. I am following the custom of my good friends opposite at the time of the South African war. Anything of that kind will have to be obtained from the Imperial authorities. I shall be only too delighted to forward any request that my hon. friend may make. The matter, however, concerns the British authorities.

Mr. PUGSLEY: My hon. friend was good enough to tell me there was a written contract made through my hon. friend?

Major General HUGHES: I was the agent.

Mr. PUGSLEY: When was that contract made?

Major General HUGHES: In the latter part of August or early in September.

Mr. PUGSLEY: Was that contract negotiated in New York by Mr. J. Wesley Allison and associates?

Major General HUGHES: I have no hesitation in saying that Mr. J. Wesley Allison was the gentleman through whom the reduction from $42.50 to $37.50 was negotiated, and then from $37.50 to $33. The country owes him a large debt of gratitude.

Mr. PUGSLEY: Who appointed him?

Major General HUGHES: I did.

Mr. PUGSLEY: Has my hon. friend any correspondence with Mr. J. Wesley Allison which he will bring down?

Major General HUGHES: I have nothing which should be or which need be brought down. There is nothing to be brought down.

Mr. PUGSLEY: There was no correspondence with Mr. J. Wesley Allison?

Major General HUGHES: No.

Mr. PUGSLEY: Will the minister give the names of the firms from which those 75,000,000 rounds of ammunition were purchased?

Major General HUGHES: The Remington Arms Union Metallic Company of the United States.

Mr. PUGSLEY: Only one company?

[Mr. Pugsley.]

Major General HUGHES: One company. I do not know where they got the ammunition.

Mr. PUGSLEY: I would like to call the attention of the minister to the fact that there appears in these memoranda, on page 38, a copy of an Order in Council of the 4th September, 1914, as follows:

> The committee of the Privy Council, on the recommendation of the Minister of Militia and Defence, advise that a contract be made with the Dominion Cartridge Company, Limited, of Montreal, for the manufacture of 5,000,000 rounds of .303, mark vii, small arms ammunition, at $31 per thousand rounds.

Does my hon. friend say that at the time when the order was given to the Dominion Cartridge Company for 5,000,000 rounds of small arms ammunition at $31 per thousand rounds, the price in the United States was the price which my hon. friend has stated, namely, $42.50?

Major General HUGHES: This $31 was for 5,000,000 rounds from the Dominion Cartridge Company. It was a couple of weeks subsequent to that date that the American prices were obtained. This bargain, although the Order in Council was passed on September 4, 1914, was entered into many weeks before that date. The company have already made the ammunition.

Mr. PUGSLEY: The first order was for 5,000,000 rounds at $31 per thousand. When was the next order given in Canada to the same company?

Major General HUGHES: The next order was given in my absence, possibly in the month of October.

Mr. PUGSLEY: At page 41 of the memoranda, I find an order of the 17th of October, given to the Remington Arms Union Metallic Company, of Bridgeport, United States, at $33 per thousand, for the Canadian Government. Was that the next order given?

Major General HUGHES: That is the American order. There was another order for 15,000,000 rounds at $35.

Mr. PUGSLEY: Which company?

Major General HUGHES: The Dominion Cartridge Company.

Mr. PUGSLEY: What page on the memoranda.

Major General HUGHES: That order was subsequent to the printing of the memoranda.

Mr. PUGSLEY: What was the date of that order?

Major General HUGHES: We will ascertain the date for the hon. member.

Mr. PUGSLEY: What compensation was given to Mr. J. Wesley Allison for his services?

Major General HUGHES: Nothing whatever. Mr. Allison declined any remuneration so far as anything connected with the Dominion of Canada was concerned. The case is different so far as Russia or Great Britain is concerned.

Mr. PUGSLEY: My hon. friend said that Mr. Allison was acting for the Imperial Government on the appointment of the Minister of Militia, and that he made this contract on behalf of the Minister of Militia and on behalf of the Imperial Government for 75,000,000 rounds at $33 per thousand. Does my hon. friend know the place at which the contract between Mr. Allison and the Remington Arms Company was entered into?

Major General HUGHES: I entered into the contract myself. Does the hon. gentleman wish to know the exact spot?

Mr. PUGSLEY: It is not very material.

Major General HUGHES: It is a little station called Moira in the Adirondack mountains. The contract was entered into at seven o'clock. I had not had my dinner then. Does my hon. friend wish to know any other details about the matter?

Mr. PUGSLEY: My hon. friend made the agreement with the Remington Arms Company which resulted in the signing of the contract?

Major General HUGHES: Mr. Allison has been instrumental in bringing the prices down.

Mr. PUGSLEY: I did not ask my hon. friend for that.

Major General HUGHES: Mr. Allison did not make the contract; I made the contract, and it was entered into at that spot.

Mr. PUGSLEY: My hon. friend said that the negotiations were carried on by Mr. Allison. I would ask the minister whether or not Mr. Allison carried on the negotiations in New York?

Major General HUGHES: New York State?

Mr. PUGSLEY: I mean the city of New York. But perhaps the minister knows nothing about that.

Major General HUGHES: I do not know. It is a matter of no importance—New York or anywhere else.

Mr. PUGSLEY: I will tell the hon. minister what I have been informed; and he will be able to set the rumours at rest if they are not true. I have been informed that previous to Mr. Allison appearing on the scene representing the Canadian Government and the British Government in the purchase of ammunition, the manufacturers of this class of ammunition had practically fixed the price at $36.50 per 1,000 rounds; that Mr. Allison entered into correspondence in New York with the manufacturers, with the result that the manufacturers broke their contracts with the gentleman who was about to purchase for the British Government, and the price was reduced to $33 per 1,000 rounds.

Major General HUGHES: Would the hon. gentleman have any objection to stating the name of his informant. If he gives the information, he ought to be willing to give the name of the one from whom he got the information.

Mr. PUGSLEY: If the minister will promise to investigate the matter, I will give the name of my informant. He will find on record the proceedings now pending in one of the courts of New York in which the question is raised as to these manufacturers having broke their contract with the gentleman who was about buying for the British Government. I will give what information I have, because I am sure the hon. gentleman will not willingly be a party to anything like that. That is the statement—that Mr. Allison with the gentlemen associated with him went to New York, took apartments at the Manhattan Hotel, and put himself forward as the representative of the Canadian Government and the British Government and ready to negotiate—

Major General HUGHES: I am in a position to state that there is not a word of truth directly or indirectly in what is stated by the hon. gentleman. If he will permit me, I will tell him the facts.

Mr. PUGSLEY: I shall be glad.

Major General HUGHES: He is up the wrong tree.

Mr. PUGSLEY: Which is the right tree?

Major General HUGHES: The lawsuit to which the hon. gentleman refers does not concern this affair at all. It has to do with a Yankee concern called Flint & Co., that is claiming something on ammunition, ordered for the British Government, with which Major Allison and the Canadian Government had nothing to do. I do not know the details—do not want to know them. But I understand they are entering an action against the Remington Company, claiming a commission on twenty or forty million rounds of mark vi ammunition ordered by the British Government. I would not, as representative of the British Government, be found guilty of ordering mark VI ammunition. It is obsolete. And as to the price, I do not know—

11 p.m.

Mr. PUGSLEY: It was $26.50.

Major General HUGHES: If that is the price for mark vi ammunition, all I have to say is that it is very high. Mark vii was ordered in advance of the war, and the price of it was $31 at that time. At the time the negotiations were carried on through Mr. Allison for me, and when the contract was arranged with the British Government—the hon. gentleman is not entitled to get this information, but I am giving it to him.

Mr. PUGSLEY: It is very good of the minister to give it.

Major General HUGHES: Very good. The price was $42.50 by one concern, and $37.50 by Flint & Co., which was the lowest we could get it; but it was arranged at $33, which is $4.50 less than the lowest price ammunition has been purchased for in America.

Mr. PUGSLEY: That was accomplishing a great deal for the British Government. Can the minister tell me how he came to employ Mr. Allison to make these negotiations?

Major General HUGHES: He has been for thirty-five years my personal friend, and he is a gentlemen in whom I have every confidence. He is absolutely well-posted, and I have found him the soul of honour. He is also most patriotic. At a time when certain gentlemen were negotiating for the transfer of a water-power on the St. Lawrence to an American organization on terms under which ninety-five per cent of the power would have been used in the United States and five per cent in Canada, Mr. Allison carried on at his own expense—with your humble servant—the opposition to this scheme much to the discomfiture of these gentlemen.

Mr. PUGSLEY: Did Mr. Allison formerly have an office in New York?

Major General HUGHES: I do not know.

Mr. PUGSLEY: Is this the J. Wesley Allison who had a celebrated patent shovel, and who had material brought over in the night from Waddington?

Major General HUGHES: He is the man who, at the outbreak of the war, learning that the British Government was getting large supplies from the United States of America, made arrangements that neither the British nor the Canadian Government could improve upon; had the materials shipped in, in daylight—he is not a man who operates in the dark or behind the scenes; had it brought in bond to Canada and sent across to the British Government; and later instructed the authorities that the material could be shipped direct from New York without the circumlocution of going through Canada. Does the hon. gentleman want any further information?

Mr. PUGSLEY: Yes, on both shovels and ammunition. Will the minister tell me what quantity of ammunition, described as .303, mark vii, small-arms ammunition, was purchased in the United States by Mr. Allison for the Canadian Government?

Major General HUGHES: He did not purchase for the Canadian Government.

Mr. PUGSLEY: Who made that purchase?

Major General HUGHES: I was in Europe at the time.

Mr. PUGSLEY: I speak of the ammunition purchased pursuant to the Order in Council of the 17th October, 1914.

Major General HUGHES: It was the same arrangement, I am informed, as I carried on for the British Government.

Mr. PUGSLEY: I thank the minister for the information he has given. Perhaps he will give me more by bringing down the correspondence in regard to the purchase of ten million rounds pursuant to the Order in Council of the 17th October, 1914.

Major General HUGHES: Yes, I have nothing to hide.

Mr. PUGSLEY: I am not suggesting that there is anything to hide. But the minis-

ter must see that it looks strange that a middleman should be employed to secure this ten million rounds. It may be capable of explanation, but he will be given the opportunity.

Major General HUGHES: After the hon. gentleman has been insinuating—

Mr. PUGSLEY: When?

Major General HUGHES: I am told that he made the statement that this ammunition could have been had at $26 instead of at $33. That is erroneous.

Mr. PUGSLEY: That is my information.

Major General HUGHES: It is absolutely wrong; and I can tell the hon. gentleman that there was no middleman in the case. Mr. Allison is not a middleman.

Mr. PUGSLEY: Not a middleman?

Major General HUGHES: He was not a middleman. He is my friend, just as Mr. Ellis is my friend, who engaged in purchasing field-glasses, and whom I trusted to carry on this work and obtain these goods for the British Government and break down the grafting rings that were seeking to rob both Canada and Great Britain, and to get these goods at a fairly representative price.

Mr. CARVELL: Is Mr. Powell included in that category?

Major General HUGHES: Mr. Powell is not employed by the Minister of Militia.

Mr. PUGSLEY: Do I understand that the minister draws a distinction between middlemen; that Mr. Allison was not a middleman because he was a personal friend of the minister?

Sir ROBERT BORDEN: I think the hon. gentleman is misrepresenting the Minister of Militia; I hope he is not doing so purposely. The Minister of Militia has explained that a contract for 75,000,000 rounds of ammunition was made personally by him at the request of the British Government. Before he entered into that contract he asked Mr. Allison to obtain, and Mr. Allison did obtain, information for him as to the price at which it could be secured, and as to the sources from which it might be obtained. The contract was made by the minister; Mr. Allison had no interest in the contract by way of commission or otherwise, and received no remuneration for his services.

Major General HUGHES: The hon. gentleman will readily understand that there were any number of agents here from the United States, and the lowest price which could be obtained in respect of this ammunition was $42.50 per thousand rounds. I knew that the price was outrageous, and I refused to order. The two firms with which negotiations were had were Peters, of Cincinnati, and Flint & Co., of New York. Flint & Co. finally came down to $37.50. I knew that that was still too high, so I sent for Mr. Allison, knowing that he knew these gentlemen and knowing that I could trust him. In less than a week Mr. Allison had negotiated the price down to $33.

Mr. PUGSLEY: My hon. friend will agree that the enormous quantity of 75,000,000 rounds was the biggest order given for many years, if not the biggest order ever placed with this firm.

Major General HUGHES: An order for 300,000,000 rounds had been given a short time before that by the British Government.

Mr. PUGSLEY: To the same firm?

Major General HUGHES: No, to other firms, and they paid far more for it.

Mr. PUGSLEY: Will my hon. friend bring down the correspondence with regard to the 10,000,000 rounds?

Major General HUGHES: As to our 10,000,000, certainly.

Mr. BOULAY (Translation): Mr. Chairman, some time ago I asked a question which reads as follows:—

> Who had been appointed to purchase in the province of Quebec from the 1st of July to the 1st of December, 1914, the horses required for the militia, or for the first contingent?

In reply it was stated that the chief veterinary surgeon and his assistants had been purchasing these horses. I would like to know the names of this chief veterinary surgeon and of his assistants in the province of Quebec.

Major General HUGHES: The veterinary for the province of Quebec was Colonel Piché.

Mr. BOULAY (Translation): Had instructions been given this Mr. Piché to purchase horses in certain specified parts of the province of Quebec, or did he have a free hand in making those purchases?

Major General HUGHES: Arrangements have been made whereby every part of the province of Quebec will be visited. It was reported that the district of which my

hon. friend speaks did not produce good artillery horses, but it has been found that horses quite suitable for artillery purposes may be obtained from my hon. friend's province.

Mr. MARCIL: I saw a corps parading the streets of Ottawa the other day; thousands of horses just as good could be obtained in the counties of Bonaventure and Gaspé.

Major General HUGHES: That has not been generally known, but the buyers have been informed. They are good horses, well fitted for all kinds of rough climatic conditions.

Mr. J. J. HUGHES: What proportion of the regular militia have volunteered for active service ?

Major General HUGHES: I have not the exact figures before me. Judging by the returns, in many localities whole corps have volunteered. Of course, every regiment contains a certain number of men who have families; others we will not part with because we require them at home for instruction purposes. The response of the active militia has been simply magnificent.

Mr. J. J. HUGHES: In some localities that has not been the case.

Major General HUGHES: Probably due to local causes.

Mr. J. J. HUGHES: It is said that in some places the active militia did not respond in this crisis as they should have done, and that a much larger proportion of persons who were not members of the militia responded to the call.

Major General HUGHES: I did know one case in respect of which it was that that charge could be made, but on inquiry it was found that the colonel and senior major had gone to the front, the junior major was absent for some reason, and the next in command was not as aggressive an officer as he might have been. We placed the next senior captain in command, and since that time the regiment has turned out much better.

Mr. McMILLAN: Is it the intention of the Government to bring into Ottawa volunteers who are assembled in small centres like Alexandria, Brockville and Smith's Falls?

Major General HUGHES: During the winter months the men have been mobilized at the various localities. We have no place to drill them during the winter season, but with the coming of spring and the disappearing of the snow, they will be mobilized in the larger centres. The snow in the West has disappeared, but not in the East, and the camps are not fit for occupation. It is our intention, however, to take them into the camps where they will get rifle shooting and all the advantages of manoeuvring.

Mr. McMILLAN: An article appeared in the Ottawa Free Press of March17, headed: "Little Towns Want to Keep the Soldiers; Politicians are Delaying Mobilization of Contingent." Further down it says:

> The men at these different centres received, besides their pay, sustenance allowance of 75 cents a day.
>
> In the case of Alexandria this means more than $500 a week to be spent on board and lodging. Brockville is slightly under this while Smiths Falls benefits to a considerably larger extent. The soldiers who always know where the next pay is coming from spend quite freely. At present they have little work to do and have lots of time to get out and squander their money. Certainly politicians who see the advantage of this to the towns and likewise the Government, are anxious to have the condition continue as long as possible.

Speaking for Alexandria and the soldiers there now, I do not suppose that the soldiers training in Ottawa give one-half the time to their work that soldiers training in Alexandria do at the present time. We have a gentleman there who spent 21 years in the British army and I question if there is in Ottawa his equal in the drilling and training of men. We are out in the country and in our county we have not a single hotel license, so we are perfectly dry. When you talk about the men getting out and squandering their money, I do not know how they are to squander it.

Major General HUGHES: Ice cream?

Mr. McMILLAN: Ice cream and champagne cider I suppose. I think in fairness that the Militia Department should hesitate about calling these men in. Until the season comes when you can concentrate them at some larger camp they can do quite as well if not better in the small towns. We have quite as good discipline and the outside attractions are not many. I think it would be too bad to take away from the small towns the little advantage they may gain by having soldiers centered there. We think that we are entitled to some consideration. Ottawa is not entitled to everything. It certainly has its share of soldiers and I would ask the minister, before

recalling the men from Alexandria, to look into the matter very closely.

Major General HUGHES: We have given it a great deal of study and the people have been assisting us to do so; the officers have been demanding that the men be mobilized and the localities have been demanding that they be kept there, the object being the monetary advantage which my hon. friend has referred to. At the local centres the men cannot be finally passed medically or finally uniformed and equipped or properly organized. The officers who are now over them will not be over them in the regiment when it is formed. It would take two or three weeks to do that. We have held them back in these localities all winter and I am pleased to say that Alexandria is one of the finest portions of the Dominion of Canada. There is a splendid drill hall there which my hon. friend was instrumental in having built, and he has given every assistance to the cause in his locality. We have received complaints that we have kept the men in these localities a week or two weeks too long. Areas are now open in the larger centres for drilling and the officers want to get the men in uniform and test them, which takes a week or two. My hon. friend knows as well as I do that our object is to get the men ready for service, not to benefit localities. We have tried to play the game both ways, to keep them in the localities during the winter; but now that spring is coming on we are bringing them to the mobilizing centres and organizing them to get them into shape for the camp as soon as the weather opens up, in two or three weeks time.

Mr. MARCIL: Will the minister have another Valcartier?

Major General HUGHES: In the case of the first contingent there was a rush. The second contingent, without mentioning any date, will probably go before the St. Lawrence route or Valcartier will be ready. This will not be till about the middle of May, so that it would be impossible to concentrate the camp for the second contingent there.

Mr. J. J. HUGHES: Is the editor of the Toronto Telegram an officer?

Major General HUGHES: I am not sure.

Mr. J. J. HUGHES: He is very much in favour of having the drill take place in the smaller places.

Major General HUGHES: His views are different from mine.

Mr. CARVELL: I am sorry to disagree with my hon. friend from Glengarry (Mr. McMillan) but I am assuming that the minister is looking at this thing entirely from the standpoint of the militia and not from that of the local merchants and local aspirations. I have heard a great many complaints from different members of the army because they have been kept at local headquarters and not placed in a central camp. I speak from my own experience, because years ago I was a member of the militia for a great many years, and I always found that the training we got at local headquarters, while useful, was not of great service when we were brigaded with other forces at large camps. A great deal has been said about Valcartier, and there is no doubt there were many mistakes made in the equipment of that camp, but for all that I am very strongly of the opinion that the larger the camp of training that the minister can organize the better for the soldiers, and after all that is the important thing. I know that many officers have complained to me during the past two or three months that they are getting tired of remaining in local headquarters and the men are demanding a change. I am very much of the opinion that the minister will do well to get them together in as large bodies as possible, and it does seem to me that he could not do better than go to Valcartier. There must be enough units under arms to-day in Canada to tax the capacity of a place like Valcartier. I am sure that the minister will find the consensus of opinion of the militia themselves and the officers is that they should be got together in as large camps as possible.

Major General HUGHES: I agree with what my hon. friend says. Two weeks ago I had men visit Valcartier and they found three feet of snow on the ground there then. There are two and a half feet there now, and there is no chance that that snow will disappear in time for the camp. Otherwise I think my friend will have no fault to find with my plans.

Mr. G. V. WHITE: I might tell the Minister of Militia that there is no snow at Petawawa.

Major General HUGHES: Will my hon. friend tell us where Petawawa is?

Mr. MARCIL: We have heard of the number of men who have volunteered for ser-

vice overseas. In justice to the fair sex, I think the minister should inform the country how many women have volunteered for service as nurses or in other ways.

Major General HUGHES: 2,500. I may say that the women have been the best recruiting officers we have. The splendid spirit displayed by the women of Canada has been a credit to Canada.

Mr. MARCIL: How many have been accepted?

Major General HUGHES: All the British Government asked for. We do not send them of our own accord, only the number they ask for.

Mr. MARCIL: Is the minister not sending any nurses with the regiments going this summer?

Major General HUGHES: We do not send them as regiments but as hospitals. It depends on the nature of the hospital, whether it is a base or a stationery or a field hospital, whether we send nurses with it or not.

Progress reported.

On motion of Sir Robert Borden, the House adjourned at 11.25 p.m.

Thursday, March 25, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

PRIVATE BILLS.

FIRST READINGS.

Bill No. 88, for the relief of Adam Clarke Anderson.—Mr. Wallace.

Bill No. 89, for the relief of Thomas Jefferson Moore.—Mr. W. M. Martin.

Bill No. 90, for the relief of Alexander McIntyre.—Mr. Bristol.

Bill No. 91, for the relief of Violet Burnett Delmege.—Mr. Brabazon.

Bill No. 92, for the relief of Alice Beckett. —Mr. Michael Clark.

QUESTIONS.

[Questions answered orally are indicated by an asterisk].

HALIFAX PUBLIC WORKS.

Mr. SINCLAIR:

How much has been expended in the county and city of Halifax, N.S., by the present administration between the date on which they accepted office and the present date respectively, on railway construction, Halifax and Eastern Branch; on new Halifax terminals, including railway approaching same, and on public works, inclusive of public buildings, wharves, breakwaters, etc.?

Mr. CODERRE: The Department of Railways and Canals as follows: For increased accommodation, $327,307.12; for new pier, $915,694.31; South Eastern railway, for plans, surveys, etc., $85,000; for new ocean terminals, including railway approaching same, $1,976,519.74; total, $3,304,521.17.

The Department of Public Works as follows: Harbour works, $222,642.67; public buildings, $246,646.30; total, $469,288.97.

H. GOBEIL.

Mr. KYTE:

1. Was H. Gobeil, former Deputy Minister of Public Works, employed by any department of the Government since October 10, 1911?
2. If so, what was the nature of such employment?
3. What was the salary or remuneration paid him in respect of such employment?
4. When did such employment cease?

Mr. CODERRE:

1. Yes, from 15th June, 1912.
2. To prepare a complete history of the port of Quebec, in relation to the St. Lawrence trade; to investigate titles of ownership of lands required in connection with St. Charles river improvements, and compile other information required by the department.
3. The difference between his superannuation allowance, $2,160, and $5,000, the salary of a deputy minister.
4. January 31, 1915.

PICTOU COUNTY RURAL MAIL.

Mr. MACDONALD:

1. Has any action been taken in regard to the petition asking that rural mail delivery be established to supply the districts of Hodson and Toney Mills, county of Pictou?
2. If not, what is the cause of the delay?

Mr. CASGRAIN:

1. Yes, as regards Hodson district. A contract was awarded in January last for a rural mail delivery service over a route from River John post office via Hodson post office, and the inspector has been instructed to inaugurate the service as soon as fifty per cent of the eligible residents on the route pay for and erect their boxes.

No petition has reached the department for a rural mail delivery service in the Toney Mills district.

2. Answered by No. 1.

LOUISVILLE POST OFFICE.

Mr. GAUVREAU:

1. Since the dismissal of Mr. L. F. Sansfaçon as postmaster at Louisville, how often has the post office inspector employed an employee to make or assist in making the monthly report of the Louisville post office?

2. At what date was his last trip made?

3. Is the Government aware that the present postmaster, Mr. Geo. Lafontaine, is said to be absolutely incompetent, through lack of education, to fulfil the duties?

4. Who has been appointed caretaker of the post office building at Louisville?

5. What is his salary?

6. What has been the revenue of the Louisville post office for each of the past three years?

Mr. CODERRE:

1. Since the dismissal of Mr. L. F. Sansfaçon as postmaster, the post office has been inspected by officials of the office of the post office inspector at Montreal on 24th August, 1914, 12th January and 16th February, 1915; but the department has no knowledge of the inspector employing any person to make or assist in making up the reports of the post office.

2. The last inspection trip was made on the 16th February, 1915.

3. No. No complaints have been received at the department in regard to the management of the office.

4. George Lafontaine.

5. $33.33 per month.

6. The revenue of the office for the past three years was as follows: 1912, $2,322.74; 1913, $2,601.41; 1914, $1,945.97.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. A. K. Maclean: For a return showing the names, addresses, articles, quantities, prices and estimated total cost in connection with all articles of every kind purchased by the Government of Canada out of the War Supply Bill of $50,000,000 to this date, and unenumerated in the memoranda respecting work of the Department of Militia and Defence, European war, 1914-15, laid on the table of the House during the present session.

Mr. Macdonald: For a copy of all letters, papers, petitions, reports and other documents relating to the establishment of a rural mail delivery route, for the purpose of giving postal service to the districts of Hodson and Toney Mills, county of Pictou.

Mr. A. W. Chisholm: For a copy of all payrolls in possession of the Department of Public Works showing the expenditure of money on Mabou Harbour Piers, during the years 1912-13, and 1913-14, and the expenditure of money on Mabou harbour protection pier for one of the lighthouses in Mabou harbour during the years 1912-13 and 1913-14.

SENATE AND HOUSE OF COMMONS ACT.

On motion of Sir Robert Borden, the House went into committee to consider the following proposed resolution, Mr. Sevigny in the Chair:

Resolved, that an address be presented to His Most Excellent Majesty the King, in the following words:

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Commons of Canada, in Parliament assembled, humbly approach Your Majesty praying that he may graciously be pleased to give his consent to submitting a measure to the Parliament of the United Kingdom to amend certain provisions of the British North America Act, 1867, in the manner following, or to the following effect:

An Act to amend the British North America Act, 1867.

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. Notwithstanding anything in the British North America Act, 1867, or in any Act amending the same, or in any Order in Council or terms or conditions of union made or approved under the said Acts, or in any Act of the Parliament of Canada:

(1) The number of senators provided for by section 21 of the British North America Act, 1867, is increased from seventy-two to ninety-six.

(2) The divisions of Canada in relation to the constitution of the Senate provided for by section 22 of the said Act, are increased from three to four; the fourth division to comprise the western provinces, Manitoba, British Columbia, Saskatchewan and Alberta, which four divisions shall (subject to the provisions of the said Act and of this Act) be equally represented in the Senate, as follows:

Ontario, by twenty-four senators; Quebec, by twenty-four senators; the Maritime Provinces and Prince Edward Island, by twenty-four senators, ten thereof representing Nova Scotia, ten thereof representing New Brunswick and four thereof representing Prince Edward Island, the western provinces by twenty-four senators, six thereof representing Manitoba, six thereof representing British Columbia, six thereof representing Saskatchewan and six thereof representing Alberta.

(3) The number of persons whom, by section 26 of the said Act, the Governor General may, upon the direction of the King, add to the Senate, is increased from three or six to four or eight, representing equally the four divisions of Canada.

(4) In case of such addition being at any time made by the Governor General shall not summon any person to the Senate, except upon a further like direction by the King on the like recommendation, to represent one of the four divisions until such divisions are represented by twenty-four senators and no more.

(5) The number of senators shall not at any time exceed one hundred and four.

(6) The representation in the Senate to which, by section 147 of the British North America Act, 1867, Newfoundland will be entitled, in case of its admission into the union, is increased from four to six members, and in case of the admission of Newfoundland into the union, notwithstanding anything in the said Act, or in this Act, the normal number of senators shall be one hundred and two, and their maximum number one hundred and ten.

2. The British North America Act, 1867, is amended by adding thereto the following section immediately after section 5, of the said Act.

(51a) Notwithstanding anything in this Act, a province shall always be entitled to a number of members in the House of Commons not less than the number of senators representing such province.

All of which we humbly pray Your Majesty to take into your favourable and gracious consideration.

Right Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Chairman, there is no necessity to say a great deal about this resolution, as the matter was under consideration of the House last session. It is intended to be a joint resolution of the Senate and House of Commons, and the necessary blank space is left in the resolution for the inclusion of the words "Senate and.". The brief explanation which may be made of the resolution is this: at the last session of Parliament Bills were introduced to increase the number of senators from the four Western Provinces. There was a consensus of opinion, I think, that, so far as Alberta and Saskatchewan are concerned, the Parliament of Canada had power to pass the necessary legislation to give the increased representation, but there was a difference of opinion as to Manitoba between hon. gentlemen on the other side of the House and us as to the competency of Parliament to increase the representation in the Senate of that province. As to British Columbia, it was agreed on both sides of the House that legislation of the Imperial Parliament was necessary. The House also had under consideration the necessity of making some new disposition in regard to the senatorial divisions which were constituted by the British North America Act, 1867. It was agreed that a resolution should be passed constituting four divisions for that purpose, instead of three as provided by the British North America Act, 1867. The additions proposed to be made to the representation of the western provinces are in conformity with the principle which was laid down in 1905 with respect to Alberta and Saskatchewan.

The last clause of the resolution has reference to the relation of the representation of each province in the Senate to that which it possesses in the House of Commons.

[Sir Robert Borden.]

There was a recommendation by the committee which had under consideration the Redistribution Bill at the last session, and the proposal embodied in the second paragraph carries out the recommendation of the committee, and it passed the House unanimously. Eventually there arose a difference of opinion between the Senate and House of Commons in regard to the period at which these amendments to the British North America Act should take effect. My hon. friends from the province of Prince Edward Island have urged upon me that the resolution should again be introduced, and, after giving consideration to what they have urged upon me both privately and in the House of Commons, I have deemed it my duty to now present the resolution again to the House.

Rt. Hon. Sir WILFRID LAURIER: When this resolution was before the House last session we on this side did not in any way object, but rather tried to help the Government to come to a solution of questions which were vexatious in their nature. It was felt, and rightly felt, that the representation of the provinces in the Senate should be readjusted to meet the present condition of things after forty years of development since Confederation. My right hon. friend (Sir Robert Borden) has stated that as to that feature these changes were first suggested and enbodied in the Act which created the two provinces of Saskatchewan and Alberta in 1905. The gist of this resolution is that to the three groups of population which were created at Confederation, namely, Ontario, Quebec and the maritime provinces, we add a fourth group representing the western provinces, and to this we altogether agree. The second part of the resolution refers not only to Prince Edward Island but to the maritime provinces generally. It is proposed to amend the British North America Act in these words:

Notwithstanding anything in this Act, a province shall always be entitled to a number of members in the House of Commons not less than the number of Senators representing such province.

It has been a grievance with the Maritime Provinces that their representation in the House of Commons has continued to decrease from decade to decade. It has been explained, and it is the true explanation, that at the time of the formation of Confederation no one anticipated the extraordinary developments which were to take place west of lake Superior and in consequence of which the representation of the

maritime provinces in the House of Commons has decreased from decade to decade. We had to deal with the matter in 1902. At that time the province of New Brunswick, in particular, felt very much the diminution in representation which it had to undergo. It was a special grievance in the province of Prince Edward Island, which always contended that under the terms of Confederation they should at all times be entitled to six members. Whatever may be the merits of this contention—it is true the record does not show it—I believe that what is now proposed is a fair compromise, and ought to be so accepted by all the provinces, so that henceforth, whatever may be its fall in population, the province of Prince Edward Island shall be entitled to a representation of four members. So far I altogether support the resolution. Last session, when this matter went to the Upper Chamber an amendment was moved to this effect:

That this Act shall not take effect until the termination of the now existing Parliament.

In other words, it was suggested by the Upper Chamber that this resolution should take effect not after a general election, but at the time of the dissolution and not before.

We passed last year a new Act providing for a redistribution of the representation in the House of Commons, and in that Act the western provinces were given a marked increase of representation in this House. That Act does not come into force on the day of its promulgation, but at the termination of the present Parliament. There is this disposition to that effect in the Act:

This Act shall take effect only on the dissolution of the present Parliament.

This was not necessary, because the constitution itself provides that a redistribution shall not take effect until the dissolution of Parliament, but it was done from an abundance of prudence. The effect of the amendment made by the Upper Chamber was simply to put into the Bill the same provision with regard to increased representation in the Upper Chamber as the provision with regard to increased representation in the House of Commons; that is to say, that the Bill should only come into effect upon the dissolution of Parliament. The amendment came back to the House of Commons, and it did not commend itself to the judgment of my hon. friends opposite. I thought it was reasonable and fair, and that, as a measure of compromise, it should have been accepted in that spirit. The Government, however, took a different view. I do not know what position will be taken this year in the Upper Chamber, but I present the views of that body as they come to me; and, as I have said, I thought they were fair and in a spirit of compromise in regard to the whole measure. I hope in this instance, as our blood has had time to cool, in this chamber as well as in the other chamber, that we shall be able to dispose of this important question in a manner satisfactory to all partie concerned.

Sir ROBERT BORDEN: My right hon. friend says that we shall wait and see what view the Government takes of this question this year; but it will be necessary first to see what view the Senate takes of it this year. Last year, if my memory serves me well—and I think it does—we in this House unanimously concurred in not agreeing to the Senate amendment, and we gave reasons for our action. Those reasons seemed to be good at the time, and they commended themselves to the judgment of the House, because there was no dissent. It is of very little use, however, to thresh over these questions of the past. The main question now is, what we shall do and what the Senate will do this time, and I need add nothing to what I have said.

Mr. PUGSLEY: Representing one of the smaller provinces in the Dominion and one which is likely to be affected in the future by these proposed changes in the British North America Act, I desire to say that I think it was a very happy thought, on the part of the committee which had charge of the Redistribution Bill, to recommend the making of this provision. The problem is a very difficult one. It has been under consideration for a long time, and representations have been made from time to time to this Parliament by the maritime provinces urging that some provision should be made under which their representation should not be reduced. We in New Brunswick have the feeling that it would be proper to restore the representation to that which it was at the time of Confederation; but there were difficulties in the way which seemed to be insurmountable. One can, of course, understand that objections would be raised by the other provinces to changing the constitution. The provision, that a province shall always be entitled to a number of members in the House of Commons not less than the number of Senators

representing such province, ought to be satisfactory, although it is not what the Maritime Provinces had hoped for. Still, under the circumstances, it is perhaps the very best solution possible.

Does my right hon. friend not think that there ought to be some provision in this Bill, that in the adjustment of representation from time to time, the population of the added territory of the province of Quebec should not be included as forming the unit of representation? There is a consensus of opinion that Quebec should be entitled to 65 representatives, apart altogether from the population of the added territory in that province, and that in the redistribution from time to time the population of that added territory should give to that province additional representation. If that idea is to be brought into effect, now is the time to make provision for it. I merely throw out that suggestion to my right hon. friend. I presume he has considered it.

Sir ROBERT BORDEN: The suggestion of my hon. friend admits of a very ready answer. So far as to the territory which was added three years ago that provision was made, as my hon. friend will doubtless recollect, and it is effective. As to the territory added, in 1897, I do not think it is competent for this Parliament to move in the matter without getting the consent of the province of Quebec because in every case where a change is made in the boundaries of a province, it is made with the consent of the Dominion Parliament on the one hand and of the legislature of the province on the other. It would not be competent for us to approach the Imperial Parliament to alter the dispositions agreed to at that time, without the consent of the province concerned.

Mr. PUGSLEY: I am afraid that Parliament has not got rid of the matter yet, so far as New Brunswick is concerned at all events, because we can no doubt come back in the future and make a contention similar to that to which I have referred. The addition made to Quebec previously is the most important consideration, because in that territory there will be the largest increase in population. As the question of representation was not dealt with when the previous addition to the territory was made, it would be quite competent for Parliament to deal with it now. It would not be in any way adding to boundaries; it would be making that provision which I think ought to be made under the terms of the British North America Act. It is very clear that Quebec, in regard to representation and readjustment from time to time, means the province of Quebec as it existed at the time of the passing of the British North America Act; and if the population of any added territory, whether that territory was added three years ago or eighteen years ago, or fifty years ago, should be entitled to representation according to its population, in addition to the 65 representatives from the province of Quebec, I am unable to see how, as between one province and the other provinces of the Dominion, it would be necessary that the province of Quebec should be a party. Even if it were necessary, I would take it for granted that the legislature of that province would consent to what seems fair and what, by the terms of the Act to which my right hon. friend has referred, is recognized as being in accordance with constitutional principles. I merely mention the matter now with the understanding that, so far as I am concerned as representing the province of New Brunswick, I do not feel that our case is concluded, but that I shall be at liberty to bring it up at a later date.

Sir ROBERT BORDEN: There is a good deal of force in some of the observations of my hon. friend, and it is because we realized the force of those considerations that we made the stipulation with the province of Quebec when territory was added to that province three years ago. Unfortunately the same thing was not done in 1897, and the attention of Parliament apparently was not called to the subject at that time. For the reason that I have already mentioned, namely, that the proposal with regard to adding territory to any province must be assented to both by the Parliament of Canada and by the legislature of the province, and because they were so definitely assented to in 1897, it seems to me that we could not alter the arrangement, it being virtually a contract as made at that time, without the consent of the province of Quebec. Therefore it does not seem to me that at this date we can take any effective action in the matter. It is not likely, moreover, that the territory in the immediate future will have any considerable population. So the considerations which the hon. gentleman has brought forward might be urged by him at a later date with the same effect or with greater effect than they could have at the moment.

Mr. A. A. McLEAN (Queens, P.E.I.): As I understand from the right hon. the

Prime Minister, this resolution is identical with the one which was introduced last session. That part of it which provides that the representation in the House of Commons was not in any case to be less than the representation in the Senate for any province, is the one in which the members from the Maritime Provinces are particularly interested. The first part of this resolution does not greatly interest the members from the Maritime Provinces. We would naturally wish that the resolution which affects us should not be coupled with any resolution which would meet with the disapproval of the hon. members of the Senate or contain anything which they would think contentious. Earlier in the session I asked the right hon. leader of the Government if he would not consent to introduce the part of this resolution relating to the Maritime Provinces, separately from that part which relates to the West. I would ask again to have that done. I do not, of course, suppose that the Senate will do what they did last year; I do not see any reason why they should, because if the West is entitled to the additional representation now they are entitled to have their senatorial representation increased just as much as if the readjustment were postponed until after the dissolution of this Parliament. I do not intend to discuss that phase of the matter. What interests me is the second portion of this resolution, and that alone; and I would ask the Government to consider this matter before they go any further with the resolution. There is no reason why there should not be two separate resolutions. If there is anything contentious or anything which the Government think would not meet with the approval of the Upper House, I would say that, in order to meet the wishes of the representatives from the maritime provinces, the second part of this resolution should be introduced separately. I did not suggest it lately to the right hon. leader of the Government, but when the matter was up about a fortnight ago I did make that representation, and I would again ask that the Government should reconsider the matter. We no doubt are entitled, so far as Prince Edward Island is concerned, to a representation of six, as has been stated in this House on many occasions. I think we have undoubted evidence that it was really intended when we entered Confederation that we should have a representation in this House of at least six; but the committee who had charge of the Redistribution Bill thought otherwise, and they suggested as a compromise that no province should have a representation in this House less than their representation in the Senate. This matter was first brought up in this House by the representatives from Prince Edward Island. The provinces of Nova Scotia and New Brunswick at that time, I think about the year 1900, did not foresee that their populations would decrease or rather that the populations of the other provinces would so increase that their representation would decrease; but they have now come to realize that they are situated very much as are the people of Prince Edward Island, and they are anxious, of course, that their representation should be what was originally intended. My own opinion is that the gentlemen who formulated the terms of Confederation did not realize the meaning of the word "adjust," they imagined that it meant that the representation should be increased or could be increased, but that it should never be diminished. Of course the delegation from Prince Edward Island in 1873 had before them the resolutions passed by the Legislature of British Columbia and by this Parliament admitting British Columbia into the Union, but I do not even now believe that delegates from Prince Edward Island or even this Parliament realized the meaning of the word "adjust" as used in the resolutions which were passed here with reference to the admission of Prince Edward Island into this Union. At any rate, all the preliminaries to the admission of Prince Edward Island, the telegrams and other communications, go to show that Prince Edward Island intended that they should enter this Union with a representation of six, and that this number should not be liable to be diminished. Under these circumstances this matter has been argued over and over again before this House; and under the circumstances of the case I would suggest to the right hon. leader of the House that this resolution relating to representation should be put before the House separately from the other part of the resolution which relates to the representation in the Senate for the western provinces.

Sir ROBERT BORDEN: I think that all my hon. friend has in mind will be carried out if the resolution is sent to the Senate in its present form. There is no reason to believe that the Senate will adhere to their view of last year. If they do adhere to it then it will be time enough to consider the suggestion of my hon friend.

Mr. J. J. HUGHES (Kings, P.E.I.): As a member from the Maritime Provinces, and coming from Prince Edward Island, I am, of course, very much interested in the resolutions before the House; and I must say I regret that the Government has not seen its way clear to provide that the representation from the island province should be six instead of four. When this subject was before the Redistribution Committee last session several delegations came from the province of Prince Edward Island and placed before that committee the views of the province in connection with this matter. I think they also presented those views to the Government, but of that I am not quite certain. However, I know that the Prime Minister was quite familiar with the arguments that these gentlemen presented, because he referred to them in this House. These men were quite familiar with the subject, they were representative men from our province; one of them was the Premier and Attorney General of the province, the other was Mr. Stewart, now Judge Stewart, and the right hon. the Prime Minister, in referring to their arguments, stated that they had presented their case clearly, cogently and forcibly.

I am sorry that they failed to make an impression on the Prime Minister; it would have been much better to have met the views of these gentlemen than merely to have flattered them for their arguments. However, as the right hon. gentleman is not disposed to meet their views, and as the right hon. leader of the Opposition states that in his opinion the present proposal is a fair compromise, I presume that we cannot do better than accept it. I must put in the proviso, however, that we will not accept this as closing the door entirely; we retain the privilege of bringing the question up at any time when we think it may receive more favourable consideration. I am glad to hear the Prime Minister say that the latter part of the resolution, which relates to the representation of this Chamber, will, if necessary, be separated from the other part of the resolution in order that the proposal particularly affecting Prince Edward Island may become legislation this session. But I want to ask the right hon. Prime Minister if he is quite sure that the procedure which he is adopting is the proper procedure. I am not learned in the law, and in saying this, I present not my own view, but the view of Judge Stewart, who gave a written opinion that this is an entirely improper procedure.

[Sir Robert Borden.]

At the time he gave this opinion he was a barrister in Charlottetown; later a vacancy occurred on the bench and the Government thought so much of his legal knowledge and ability that they appointed him to fill that position. Judge Stewart was one of the delegates who came here to argue this question before the Redistribution Committee and the Government. He came with Premier Mathieson, and I think I am justified in saying that Judge Stewart's opinion and Premier Mathieson's would be identically the same on this question. In our province this has been and is a very live question. I was accused of not being quite orthodox in the matter; of not being favourable to the views that were entertained and upheld very strongly in Prince Edward Island. I think the right hon. Prime Minister was instrumental, to a considerable extent, in circulating that opinion, because he referred to a speech I made in 1903 in which he said that I used arguments that gave him great trouble—particularly that I used the word "oversight" instead of "unforseen" —when he wanted to do something for Prince Edward Island. I had to combat that idea, and in a letter to the press I pointed out that in the session of 1906 and again in the session of 1907, I had moved a resolution identical in principle with the resolution that is now before the committee: that an address be presented to the King asking him to submit a measure to the Imperial Parliament to amend the British North America Act so that no province of the Dominion should have fewer representatives in this Chamber than it had when it entered Confederation. In 1907 I introduced a similar resolution, asking that an address be presented to His Imperial Majesty praying him to submit a measure to the Imperial Parliament providing that no one of the maritime provinces should have fewer representatives in this Chamber than the number that was assigned to it when it entered Confederation. In principle this resolution is identical with the one now before the committee. I will read to the committee the opinion of Judge Stewart, to which I have referred. Referring to the letter which I wrote to the press, he says:

12 m.

In this letter he asserts that in the session of 1906 he moved for a resolution for an address to the King to have the British North America Act amended so that no province should have at any time fewer representatives in Parliament than it was given when it entered the Confederation, and failing in this the follow-

ing session he moved another resolution to the effect that the Constitutional Act should be so amended that the Maritime Provinces should not at any time have fewer representatives in the House of Commons than what was assigned each of them when they entered the union. If Mr. Hughes were some enemy of our province and desired to kill our case completely, he could not have made a more effectual move for accomplishing his purpose. Every one knows that there never was and never will be the slightest chance of such a resolution passing through Parliament, and if Mr. Hughes had any proper comprehension of the case and possessed that foresight which is expected of all representatives, he never would have thought of submitting such an absurd proposal.

If I may be permitted to use the name of the right hon. Prime Minister instead of my own in reading this opinion of Judge Stewart's, it would run this way:

Every one knows that there never was and never will be the slightest chance of such a resolution passing Parliament, and if Mr. Borden had any proper conception of our case and possessed that foresight which is expected of all representatives, he never would have thought of submitting such an absurd proposal.

Of course, I think Mr. Stewart is wrong, but I want to direct the attention of the committee and of the right hon. gentleman to Mr. Stewart's opinion. I am justified in believing that that opinion is entertained also by the premier of the province, who is also the attorney general. The date of Mr. Stewart's letter is March 26, 1914; it was published in the issue of the Charlottetown Guardian of March 27, 1914. The Guardian very strongly supports the present local and federal governments. This is the Guardian's editorial comment upon Mr. Stewart's letter. It says:

Mr. Hughes unearthed a resolution which he submitted to the House of Commons praying that a petition be presented to the Imperial Parliament asking for an amendment to the British North America Act to provide that the three Maritime Provinces "shall not at any time have fewer representatives in the House of Commons than the number that was assigned to each when it entered the Confederation —striking directly at the root of the principle of Confederation."

To charge the right hon. gentleman with striking at the root of the principle of Confederation is a very serious charge to bring against him. The article goes on:

As the Premier—

That is, the Premier of our province.

—pointed out in the Legislature, and as Mr. Stewart emphasizes in his letter, the Island's case requires very different handling from that, and it has received it at the hands of the local Government, Mr. McLean—

That is, the member who has just spoken.

—Mr. Nicholson, Senators Murphy, Prowse and Yeo.

These are the opinions of distinguished men and of an important newspaper, and I give them to the House for what they are worth. The Prime Minister himself has a very high opinion of these men, because, as I have already pointed out, when Premier Mathieson and Mr. Stewart came here as delegates from Prince Edward Island, the Prime Minister said that they had presented their case in clear, cogent and forcible argument, and later on he appointed Mr. Stewart to the bench in our province. The views of these gentlemen should therefore be worthy of consideration. We do not want any mistake made this time, and, if the present procedure is wrong, we want to know it in time, because we are very anxious that this resolution should pass and become law; so I commend to the House and in particular to the right hon. gentleman who leads the Government the well-considered and matured opinions of Judge Stewart, of Premier Mathieson, and of the editor of the Charlottetown Guardian.

Mr. O. TURGEON (Gloucester): May I be permitted to call the attention of the Prime Minister to the fact that in this clause, which is to give the various groups of the provinces an equal number of representatives in the Senate, we are merely asking that material form be given to the spirit of the resolution. In the last part we are asking that both the letter and the spirit of the Constitution be changed. My right hon. friend knows my long and strict adherence to the Constitution. I think this proposal the most moderate which has ever been offered, and perhaps the most acceptable to every member of this House, as well as to the different legislatures of the Dominion. My right hon. friend knows that each of the maritime provinces has made its own appeal about this representation to the Privy Council, but in every case the Privy Council denied their appeals; and these judgments of the Privy Council may have considerable weight, not only with the Imperial Government, but with the members of the Imperial Parliament as well. I am perfectly willing to accept this proposal as a very moderate one, but, in order to secure its acceptance by the Imperial Parliament, would it not be better first to submit it to an interprovincial conference; for it is scarcely two years ago that a con-

ference of the provinces denied this right to the maritime provinces. I believe that if the Prime Minister referred this proposal to the judgment of the Provincial Legislatures and secured their assent or, at least, their favourable comment, the proposal would be sanctioned by the Imperial Parliament. I join with my hon. friend from Prince Edward Island in suggesting that this proposal be separated from the other, in order that it may be submitted to the Provincial Legislatures for their assent.

On the first part of the resolution:

(1) The number of senators provided for by section 21 of the British North America Act, 1867, is increased from seventy-two to ninety-six.

(2) The divisions of Canada in relation to the constitution of the Senate provided for by section 22 of the said Act, are increased from three to four; the fourth division to comprise the western provinces, Manitoba, British Columbia, Saskatchewan and Alberta, which four divisions shall (subject to the provisions of the said Act and of this Act) be equally represented in the Senate, as follows:

Ontario, by twenty-four senators; Quebec, by twenty-four senators; the Maritime Provinces and Prince Edward Island, by twenty-four senators, ten thereof representing Nova Scotia, ten thereof representing New Brunswick and four thereof representing Prince Edward Island, the western provinces by twenty-four senators, six thereof representing Manitoba, six thereof representing British Columbia, six thereof representing Saskatchewan and six thereof representing Alberta.

(3) The number of persons whom, by section 26 of the said Act, the Governor General may, upon the direction of the King, add to the Senate, is increased from three or six to four or eight, representing equally the four divisions of Canada.

(4) In case of such addition being at any time made by the Governor General shall not summon any person to the Senate, except upon a further like direction by the King on the like recommendation, to represent one of the four divisions until such divisions is represented by twenty-four senators and no more.

Mr. PUGSLEY: Is there not some mistake in the printing in subsection 4? It says:

Except upon a further like direction by the King on the like recommendation, to represent one of the four divisions until such divisions is represented—

Sir ROBERT BORDEN: The "s" should be off the word "divisions".

Mr. PUGSLEY: That would make that all right, but, again, in the first line of subsection 4, it says:

In case of such addition being at any time made by the Governor General shall not summon any person to the Senate.

Some words may have been left out.

[Mr. Turgeon.]

Sir ROBERT BORDEN: I am obliged to my hon. friend. I will look at it.

Mr. GRAHAM: In paragraph 4 the word "by" should be left out.

Sir ROBERT BORDEN: I have before me the resolution as it was before the committee last year. I see that the word "by" should be left out. I am obliged to my hon. friend for directing attention to the matter.

Resolution as amended reported and concurred in.

Sir ROBERT BORDEN moved:

That it be resolved that the House do send to the Senate to inform their Honours that the House has passed an address to His Most Excellent Majesty the King praying that he will be graciously pleased to give his assent to submitting a measure to the Parliament of the United Kingdom to amend certain provisions of the British North America Act, 1867, in the manner set forth therein, and request that their Honours will unite with this House in the said address by filling up the blank therein with the words "Senate and."

Motion agreed to.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Mr. A. K. MACLEAN: Mr. Chairman, I desire to make a request of my hon. friend the Minister of Railways and Canals (Mr. Cochrane). It is that he negotiate with the contractors of the Halifax and Eastern railway for terms by which the operation of that road might commence between Dartmouth and Musquodoboit harbour or a point further east if circumstances permit. The construction of the Halifax and Eastern railway was commenced in 1912. I think it was in that year that the contract for its construction was entered into. The railway is incomplete. The grading is very nearly finished and the rails are laid for a very considerable distance from the western termini at Dartmouth. This railway has been long and anxiously waited for by the people residing in the district traversed by it and there is considerable disappointment over the delay in its completion and the commencement of its operation. The rails are all laid, as I understand, between Dartmouth and Musquodoboit harbour, a distance of 25 miles in a southeasterly direction. The road bed, I understand, is to this point in very good condition, the rails being laid and I think all the heavy bridges have been erected. There is no reason why a train service should not

now be running from Dartmouth to Musquodoboit harbour. For a few weeks in the later months of last year a freight passenger service was in operation under some arrangements between the contractors and the Department of Railways and Canals. This service was operated by the contractors. I should say that the Government have not yet taken over the railway and it is still in the hands of the contractors. The country between Dartmouth and Musquodoboit is an old section, there is in that district a considerable population. If the road were in actual operation it would perform a valuable service for those people and it would be decidedly in the public interest to commence the operation of the road at the earliest date possible.

What I want particularly to urge upon the minister is that some working arrangement be made between the department and the contractors whereby a daily passenger and freight service may be put into operation between Dartmouth and Musquodoboit harbour or a point further east if possible. It would be a very great convenience to the people living in the district traversed by the road. The road not yet being in the hands of the Government but in that of the contractors, in order to secure a passenger and freight service at the present time it would be necessary for the department to enter into an operating contract with the contractors. I think it quite likely that the contractors would insist upon the payment of some amount for the performance of the service and I wish to submit that under all the circumstances the department would be justified in making such an expenditure. I do not think it would be very large but it would enable the contractors to carry on the service without loss to themselves and I hope with some little profit. I do not think that they would ask for more than a reasonable profit for the operation of the road.

There is just one other point that I would like to call to the attention of the minister. When this section of the road was in operation last fall, the contractors were obliged to stop their trains a mile or a mile and a half from the town of Dartmouth, owing to the fact that they were unable, or were not permitted, to enter into the town over the Intercolonial rails from the Acadia Sugar Refinery to Dartmouth ferry. I am not acquainted with the reasons for the refusal to permit the contractors to run their train directly into the town of Dartmouth. There possibly may have been good reasons for the refusal. I would like to urge upon the minister that it would be well for him to enter into an arrangement with the contractors by which permission would be granted to them to run their trains as far as the Intercolonial station near the ferry wharf, which, as the minister knows, would be a very convenient point for receiving passengers and freight. I do not know that there is anything further that I can say upon the matter, except to assure the minister that if he can enter into such an arrangement with the contractors it will be a very great convenience to the section of the country interested, to the city of Halifax, and to other sections of Halifax county not directly contiguous to the railway. I would therefore urge the minister, as quickly as possible, to enter into negotiations with the contractors, and ascertain if he could make a reasonable working arrangement with them for the operation of this portion of the Halifax and Eastern railway.

Mr. COCHRANE: I discussed with the contractors the question of operation some weeks ago, and, in fact, we arranged for a temporary operation. They complained that there were some temporary bridges that they were afraid to run passenger trains over. The permanent bridges are under way now, and will be in place shortly. The question of running trains over the Intercolonial tracks into Dartmouth has also been taken up and will be arranged definitely. In reference to the other matter which the hon. gentleman has mentioned, I will take the matter up and see what can be done to secure the temporary operation of the road. I think it may go farther than the particular point that the hon. gentleman has mentioned; it may go to Country Harbour. I shall be very glad to take the matter up.

Mr. SINCLAIR: Before the minister leaves the question of branch lines in Eastern Nova Scotia, I would like to ask him if he has any information for the people of my constituency in regard to the proposed branch in that county. I understand that the minister made a survey of the road during the past season. He was kind enough to answer a question I asked a few days ago by saying that this matter was under consideration. I would like to know what his policy is in regard to the construction of the proposed branch line. Is it to build a line to the port of Country Harbour and also to the port of Guysborough, or has he any other scheme on hand in regard to it, and does he propose soon to take any action?

Mr. COCHRANE: The line is to run from Sunnybrae, and down to the ferry there, with a branch up to Guysborough. It is not definitely settled yet to which point it will go, or whether it will go to Guysborough and Country Harbour. When the Supplementary Estimates come down there will be an appropriation for starting the work.

Mr. TURGEON: While we are discussing branch lines, has the minister come to a decision to build that small spur that joins the Intercolonial main line at Bathurst with the works in the harbour?

Mr. COCHRANE: That will be in the Supplementary Estimates. We propose to construct it.

Mr. MARCIL: Early in the present session I inquired of the minister in regard to a balance of subsidy claimed by Mr. C. R. Scoles for the completion of the contract on the Atlantic and Lake Superior railway. I was informed by the minister that it had been paid. I subsequently moved for the papers, which were brought down on the 20th of March, in regard to the payment made to Mr. Scoles, and I regret that those papers did not give me the information I was anxious to get. In 1901, under 1 Edward VII, chapter 27, a subsidy was voted to the Atlantic and Lake Superior railway, to construct 20 miles of railway from Caplan to Paspebiac, and a stipulation was put in the Subsidy Act that, when the road was completed, $35,000 of the subsidy was to be paid to the Hamilton Bridge Company for the erection of bridges; that some portion of the money was to be applied to the completion of the road and that the balance was to be paid to the labourers and others who had claims for labour, board and material. The work was performed by Mr. Scoles and by the Hamilton Bridge Company, who erected the bridges. They were paid. Then Mr. Scoles entered into a contract with the trustees for the bondholders of the Atlantic and Lake Superior railway, and he did his part of the work for them. When the time came to ascertain what Mr. Scoles was entitled to receive, an engineer from the Railway Department, I think Mr. Johnson, was sent to estimate the amount that Mr. Scoles was entitled to and the amount of the subsidy that was to be paid. Mr. Johnson and, I think, the accountant of the department at that time, agreed that the amount was somewhere in the neighbourhood of $154,000. I objected to the payment of such a large amount, because I thought it had not been earned, and that the road was not in the condition in which it should be. Mr. McLeod, one of the oldest engineers of the department, was sent down by Mr. Schreiber, and he went over the whole work. He reported that Mr. Scoles, who at that time had been paid $104,000, had received all that he was entitled to. There remained therefore in the hands of the department a balance of some $18,400, which I claimed for the labourers and which Mr. Scoles claimed for himself. The matter remained in that condition until 1907, when an Act was passed in this House authorizing the Quebec Oriental Railway to acquire the Atlantic and Lake Superior railway, the old Baie des Chaleurs railway and the Atlantic, Quebec and Western railway. In that Act it was stipulated that, when the Quebec Oriental Railway acquired those roads, it would become liable to pay $50,000 for claims for labour, board and material. My intention at that time was to take the $18,400 which was claimed by Mr. Scoles, but which Mr. McLeod said that he had no right to have, and to add that $50,000 to it, and to ask the Minister of Railways to appoint a commissioner to distribute both of those sums amongst the claimants for labour, board and material along the railway. The then Minister of Justice, Sir Allen Aylesworth, informed me that that $18,400 was at the disposal of the Department of Railways for the payment of those claims for board, labour and material. The matter remained in that state. The Quebec Oriental Railway took over those two railways; but it does not seem to have made the payments necessary, and Mr. Scoles seems to be operating the road now under contract with the bondholders, for the Atlantic and Lake Superior railway on the one hand and the other part of the road for the representatives of the creditors of the Charing Cross Bank. The road is therefore practically under operation by some private agreement between Mr. Scoles and those people.

The point I want to get at is this. There is nothing in the papers to show why Mr. Bell, the financial comptroller of the department, reversed the decision arrived at by Mr. McLeod, that Mr. Scoles was not entitled to this money. It is to the credit of Mr. Scoles that, under very trying circumstances, under conditions of great hardship, he kept this road in operation for fifteen years. The road constructed by Mr. C. N. Armstrong in the old days is now in a dilapidated condition; that is,

that portion of it from Matapedia to New Carlisle. The portion of it from New Carlisle to Gaspé is in first-class order, a modern road, built only lately, and it can be operated to the entire satisfaction of every one. The old portion is being run now at great personal inconvenience to the travelling public, because the trains run off the track almost every day, although Mr. Scoles, by dint of hard work and all the efforts he has made day and night, has kept the road in operation; but practically the whole of the old portion of the road must be built from Matapedia to New Carlisle. I would like to know what convinced the department that Mr. Scoles was entitled to that $18,000 which we contended was due to the labourers?

Mr. COCHRANE: The Auditor General refused to issue his certificate to any one but Mr. Scoles, saying that he was entitled to it. I am sorry to say that that $50,000 has never been handed over for distribution amongst the other creditors. The only thing to be done is for the Government to take over the road and to keep that sum back. When that time will come, I personally do not know. As long as the present financial stringency exists, it is hard to make any promises as to what roads will be taken over.

Mr. MARCIL: A portion of the money has already been paid by the department itself, to the labourers, for board, material and supplies. When it had been ascertained what amount of the subsidy was due, we paid $35,000 to the Hamilton Bridge Works Company for the bridges, and we paid $104,000 to Mr. Scoles on the report of Mr. McLeod. There remained a balance of $32,000, which Mr. Scoles did not claim and which we claimed and which we were entitled to.

Mr. COCHRANE: I think there is only about $20,000 still in the Consolidated Revenue Fund Account.

Mr. MARCIL: The sums paid to the labourers for board, material and supplies were paid on the report of Judge Langelier, who was appointed commissioner by the department and who ascertained those claims. If I understand the minister aright that $18,400 was paid on the report of the financial controller, who reversed the decision of Mr. McLeod. If not, how did he come to pay that sum?

Mr. COCHRANE: I said that the Auditor General would not issue a certificate to anyone but Mr. Scoles. If the hon. member will come over to my office, I think I can convince him that Mr. Scoles was entitled to it. The evidence shows that to be the case.

Mr. MARCIL: Do I understand the minister to say that he has no intention at the present time to take over that railway?

Mr. COCHRANE: I said that the Government could not promise to take over a road in the present financial stringency. I moved a resolution to-day to have the short line branches taken over; and as soon as an opportunity occurs, we will proceed to carry out the promises of the right hon. the Prime Minister.

Mr. MARCIL: The minister knows that last year Mr. Plante was appointed a commissioner. He went down and put advertisements on all the church doors in the county of Bonaventure that he had been appointed by the Department of Railways to receive claims against those railways. The people produced their claims, and he made a report to the department that all the claims should be paid, including the claim of Mr. Scoles, and those of several contractors and those of the people who had built these railways, many of whom had never been paid for their right of way, etc. Many of them were never paid for the right of way. Of course, we expected, when this commissioner was appointed by the Department, that good faith would be kept and they would be paid. But hopes were dashed when they learned that the commissioner had been sent down only to ascertain the validity of certain claims, and when Mr. Newcombe reported that the Government was in no way responsible for the claims against the Baie des Chaleurs and Atlantic and Lake Superior. I suppose the minister will take these claims into consideration if he takes over these roads. They have been recognized as valid claims, and some of them have been standing for more than twenty-five years.

Mr. COCHRANE: The commissioner was sent there to ascertain to whom money was due, and if the Department gets the money, it will see to it being distributed in a proper way.

Mr. WILLIAM CHISHOLM: Has the minister made inquiries into representations made respecting the claims of the municipalities of Pictou, Antigonish and Guysborough for payment for Eastern Extension land damages? Representations

were made last year in the absence of the minister, and the acting minister promised that during the recess he would take the matter up with the minister on his return. I desire to ask what action was taken, if any.

Mr. COCHRANE: I have not taken any action in the matter.

Mr. CHISHOLM: Has it been looked into?

Mr. COCHRANE: No. If the promise was made, I must ask pardon for not looking it up and learning what I was to do. But I will look it up during the coming recess, and hope to be able to give an answer next session.

Mr. GRAHAM: There is one point in connection with the matter brought up by my hon. friend from Bonaventure (Mr. Marcil). That cheque for $18,400 for Mr. Scoles was secured by a member of Parliament and carried down and given to the representative of the company. I think now would be a good time, especially in view of the experience of the last few days, to suggest that members of Parliament should take notice that they are not supposed to mix up in these matters even to the extent of carrying cheques.

Mr. COCHRANE: It was not paid to a member.

Mr. GRAHAM: Yes, a member of Parliament received it and carried it down to the solicitor of the company for Mr. Snow. The solicitor for the company was the hon. gentleman who now occupies the position of Postmaster General (Mr Casgrain). He wrote objecting to the cheque being sent through a second hand. I am not saying that there was anything wrong in this case, but the fact is that the correspondence on the table shows that a member of Parliament came and got this cheque instead of it being sent to the legal representative of the company. And that legal representative, now a member of the House and minister of the Crown, protested against the cheque being sent in this way instead of being sent direct to him as representing the applicant for the money. Without suggesting that there was anything wrong in this case, I think a member of the House should not do that, and even if he is ready to do it, the department should not give him the cheque but should send it direct.

Mr. COCHRANE: The present Postmaster General (Mr. Casgrain) was not then a member of the House. He carried on correspondence with the department, but he was out of the country when the cheque was issued, and we wanted to get a receipt or confirmation of the final settlement of the matter, and the member of Parliament only acted on behalf of Mr. Casgrain. But perhaps the observations of my hon. friend are right and members of Parliament should not take such part in matters of this kind.

Mr. GRAHAM: I was not reflecting on the hon. gentleman who is now Postmaster General; he was not then a member of the House.

Mr. COCHRANE: He was acting for Mr. Scoles.

Mr. GRAHAM: And that was quite proper. But what I objected to was that the cheque for Mr. Scoles, supposed to go to Mr. Casgrain as his representative, being handed over to a member of Parliament to be carried to Mr. Casgrain. I believe that even if a member of Parliament shows himself ready to take that position, the department should not hand him the cheque.

Mr. WILLIAM CHISHOLM: With regard to the line under construction from Sunnybrae to Mulgrave, can the minister give us any information as to the character of the line—its curves and gradings?

Mr. COCHRANE: If the hon. gentleman will leave that until after lunch I will have a map and report here which will give all that information.

Mr. MICHAUD: I understand that the Department of Railways and Canals is operating the International railway, a railway in the province of New Brunswick, between Campbellton and St. Leonard's. Before this Government took hold of this line, the road had a very nice service. There was a nice little express running which gave satisfaction to the public, and also a freight service. The freight traffic offering is practically the same as before, and as to the passenger traffic, I am informed that it has not decreased as much as on other lines of railway, for instance the Canadian Pacific railway or the Temiscouata. But since the Government took hold of the railway they have changed the time-table and have cancelled the express entirely and have given us what they call a mixed freight. I hope the Minister of Railways has travelled on mixed freights in his younger days.

Mr. COCHRANE: Lots of them, and glad of the chance.

Mr. MICHAUD: I am sorry he has forgotten what that kind of travelling means. I have here the time-table that was formerly in operation; and also the time-table since the Government took hold. Formerly there were two trains a day leaving St. Leonard's. One of these left at 5 p.m. for Campbellton, connecting with the Bangor and Aroostook and Canadian Pacific railway. Then there was a mixed train leaving at 8.30 a.m. and connecting with the Transcontinental at Edmundston. This would give the best possible accommodation to people travelling from St. Leonard's to Campbellton or from points north on the New Brunswick railway. The express would leave Campbellton at 8.30 a.m., connecting with the Canadian Pacific railway at St. Leonard's, while the mixed train would leave at 8.00 a.m. and would connect with the Canadian Pacific railway. Now, what about the new time-table? One result of this time-table is that it takes two days to go from Edmundston to Campbellton, a distance of 145 miles. Under the present arrangement the people from any part of the St. John valley wishing to reach the northern part of the province are at a great disadvantage. According to the Intercolonial timetable, a mixed train—only one train a day—leaves Campbelltown at 8.15 each morning, and is due at St. Leonards at 4.10 p.m. This train never reaches St. Leonards until late in the evening. The train which leaves St. Leonards at 8.20 in the morning is supposed to reach Campbellton at 4.20 p.m. But few trains leave Campbelltown each day, either for Moncton or Riviere du Loup, and the public are seldom able to make proper connections at Campbellton by travelling on that mixed train. I understand that this line has been paying a good dividend in connection with its freight and passenger traffic. I believe that since the express train was cancelled, the public have been travelling on other lines, preferring to go a longer distance in order to reach Campbellton within a shorter time. I understand that the minister is going to take over the Temiscouata railway. I am in favour of branch lines being operated by the Government, but if the hon. minister operates the Temiscouata railway or any other branch line as he is operating the International line, the public will not approve of his purchasing branch lines. I was asked to bring this matter to the attention of the minister and of the Government, and I hope that this mixed train will soon be discontinued and the old service re-established. Not only should the minister give us a better freight service, but we should have the express service which we had in the past. I think the minister will lose money by not giving a better passenger service. I understand that the minister took over the International railway because it was the best branch line railway in the province of New Brunswick. If the Government proceeds to buy other branch line railways, we want even better service than we have had in previous years from private companies. The public will have a right to expect from the Government a service at least as good as they have had in the past.

At one o'clock, the committee took recess.

The committee resumed at three o'clock.

Civil Government—Department of Railways and Canals—Salaries, including chief engineer at $5,000; departmental solicitor at $4,000; Janet Garvie at $900, $175,662.50.

Mr. GRAHAM: Why are these officials particularly mentioned here, for instance the chief engineer?

Mr. COCHRANE: Mr. Bowden, the chief engineer, is not entitled under the Act to receive any statutory increase as he is above the maximum of his class. He has been underpaid for a long time, and I think that he has the ability to command $5,000 any place.

Mr. GRAHAM: I am not objecting to that part of it. I suppose that under the Civil Service Act you had to put the item in this way.

Mr. COCHRANE: That is true.

Mr. GRAHAM: Who is the departmental solicitor?

Mr. COCHRANE: Mr. Fairweather is acting. Mr. Alward, the former solicitor, went down to be solicitor for the Intercolonial Railway at Moncton. Mr. Fairweather, who was his assistant, is a very good man, he has been tried out and has been found worthy.

Mr. GRAHAM: Mr. Alward is an exceptionally good man, and I am not sure that I would have been willing to allow the Intercolonial to steal him from the department.

Mr. COCHRANE: He is an exceptionally good man and we wanted a good man there.

Mr. GRAHAM: Then there is Janet Garvie at $900. She is named, I presume,

on account of the provisions of the Civil Service Act.

Mr. COCHRANE: Yes. Miss Garvie was my stenographer in Toronto for the seven years I was in the Government there. She is an exceptional person. I never saw any one equal to her. In Toronto she knew the department perfectly, and if my secretary happened to be absent she could take his place. I know my hon. friend will agree that a good stenographer, one who can do more than mere stenographic work, who can act as secretary if necessary, is a very valuable person.

Mr. GRAHAM: I am free to say that when I was in the Ontario Government I had a lady as my private secretary. I do not find any fault with the minister for bringing Miss Garvie here if she is the kind of person he describes. I presume the Minister of Customs will have many of these special votes to overcome the provisions of the Civil Service Act.

Mr. J. D. REID: With reference to the appointment of a stenographer, the great difficulty is that when you want a man, or even a lady who has had ten years experience, the Civil Service Commission will only give a certificate for the minimum initial salary of $500, and at that rate it is an impossibility to get either a man or a lady who has had wide experience. There has been great difficulty with the commission in getting certificates even in the case of very experienced stenographers. They have a list of candidates who have successfully passed the competitive examinations but who have not had actual experience. For that reason, in my department and others, we have had to give more than the minimum of $500 in this way. The Minister of Railways has stated that this to be a case where the Civil Service Commission would not give a certificate above the amount of $500 and the clerk was worth a larger amount. I have had a little experience, and I would say that the amount is properly in the Estimates.

Mr. GRAHAM: I am not quarreling with that at all. I suppose that the Civil Service Commission really cannot do otherwise under the statute.

Mr. REID: Yes, they can.

Mr. GRAHAM: They have so many who have qualified under the statute and they do not care to give a certificate which would look as if they were giving some one person a preference over others who had passed the competitive examination very highly. I have always maintained that the minister's own private staff is different from the general staff of the department. I have gone to the height of saying that I think a minister ought to be allowed to select his personal staff, even in spite of the Civil Service Act. His own personal staff should be excepted from the provisions of the Act.

Mr. REID: That is right.

Mr. GRAHAM: In the first place, his private secretary must not only be a good official in a way, but the minister must have personal confidence in him. A private secretary knows not only the minister's official business but he is his confidant in many respects, and a stenographer or person acting in the place of a private secretary should be placed in the same category. I have always maintained that the minister ought to be allowed to select his own personal staff. In the department the work is of a more routine character and not so confidential.

Civil Government—Department of Railways and Canals—Contingencies, $28,000.

Mr. COCHRANE: We pay the travelling expenses of the heads of the departments out of this vote. Formerly it was done out of some outside vote and that is the reason for this increase.

Intercolonial Railway, $8,128,250.

Mr. GRAHAM: Would the minister give the committee a general statement as to the receipts, expenditures and business of the Intercolonial? It might save us asking a lot of questions.

Mr. COCHRANE: For the ten months ending January 31 there was, I am sorry to say, a deficit of $83,000. Hon. gentlemen know that the Government have urged manufacturers to keep as many men employed as possible in these times, and we ourselves have followed the same policy on the Intercolonial. If we had followed the example of other railways, such as the Canadian Pacific railway we could have let go 3,000 men and still carried on the business efficiently, but we endeavoured to keep every permanent man employed during the winter months. There has been a decrease in operating expenses of over $200,000, and a decrease of $1,500,000 in the receipts for the ten months. We got a Governor General's warrant for operating the two branch lines we took over about the first of August.

Mr. GRAHAM: That is the International?

Mr. COCHRANE: And the New Brunswick and Prince Edward Island railway. I think there never was a time in the history of the Intercolonial when we had so many cars and engines in a fully repaired state as at present. There has been so little work for the men to do that we have kept the shops continually going, and we have now thirty engines fully repaired, but nothing for them to do. Our cars are in the same position. We have made quite a number of cars, etc., in order to keep the men going.

Mr. GRAHAM: That is at Moncton?

Mr. COCHRANE: Yes.

Mr. GRAHAM: How is the ferry scheme with Prince Edward Island progressing?

Mr. COCHRANE: I am sorry to say that it is not as far advanced as it should be. I understand that the boat is completed, but as the piers are not yet ready, and as there is a difference of £5,000 between the summer and winter insurance, we have told them to hold the boat until spring; so that we save the difference in the insurance. There was considerable difficulty in building the piers, particularly the one on Prince Edward Island on account of storms and unfavourable winds which prevented the scows carrying the stone across from New Brunswick. This stone has to be got in New Brunswick and this partly accounts for the delay; but there is no doubt that the piers will be sufficiently completed by next September for us to use them, although they may not be fully completed.

Mr. MACDONALD: Does the minister expect to operate this car ferry during the winter months?

Mr. COCHRANE: Yes.

Mr. MACDONALD: The ice conditions will not prevent it?

Mr. COCHRANE: The contract stipulates that they must operate the ferry at the rate of at least half a mile an hour in the worst ice conditions.

Mr. CARVELL: Has there been any change in the agreement made by the Intercolonial and the St. John and Quebec Railway Company since I last asked this question in the House some four or five weeks ago? I can tell my hon. friend that I have heard from his own officers that the business development along that line has been simply astonishing, more than they ever anticipated. Under the original agreement forty per cent of the earnings of this road were to go to the province of New Brunswick to help pay the enormous interest, and we feel that we are entitled to it.

Mr. COCHRANE: We propose to enter into an agreement covering that portion of the road on the first of April.

Mr. CARVELL: That will be the whole road from Gagetown to Centreville?

Mr. COCHRANE: Strictly speaking, Gagetown would not come in under the Act, but there will be a service there. Whatever the Act entitles us to do we will carry out fully.

Mr. CARVELL: I am sorry indeed to hear that the minister is not going to take in Gagetown. It is not a question whether the Intercolonial is going to make money on the Gagetown section; I assume they are not, and I think that is a correct assumption. The province of New Brunswick is paying the interest on the money which built that Gagetown section.

Mr. COCHRANE: They have not built the road.

Mr. CARVELL: Surely my hon. friend is not going to hide behind a quibble of that kind. They have built the road for thirty miles from Fredericton down to Gagetown, the shire town of the county of Queen's, and the only important town in that part of the province. It is true that the legislation says that the section shall be 35 miles long.

Mr. COCHRANE: Forty.

Mr. CARVELL: Well they have built 35 miles. It is 35 or 36 miles to Gagetown and the Statute says that the road shall be 40 miles long. It would be absolute nonsense to build the railway the other 4 or 5 miles down the country because Gagetown is the natural stopping place until the road is finished to St. John. It is pretty small business on the part of the Intercolonial railway—I am not casting any personal reflection upon the minister—to get behind a little technicality like that and to say that because you have not built the road 5 miles down the country beyond Gagetown we will not take over the road from Fredericton to Gagetown. If the minister could realize the financial burden which the province of New Brunswick is bearing as a direct result of the contract which he made with the province, he would take over the road and stand by his contract to the letter.

Mr. COCHRANE: So I am.

Mr. CARVELL: He should stand by it in the spirit as well as in the letter and take over the road. While possibly the traffic on the road from Fredericton to Gagetown would not be as great as it is from Fredericton North, I think that if he gave something like a decent service instead of a train once a week he would find that there was quite a business to be done there. You must give people the accommodation before you can expect the business. The minister had no faith in the upper end and it was only after a good deal of persistent plugging by both his friends and his opponents that he would consent to give us the service that he has given us. I am satisfied that if he expresses his honest conviction, he will say that he is surprised at the amount of business that was done in the last three months. If he will give them this service to Gagetown and carry this traffic I am satisfied that the results will surprise him. I think the minister could do no—I was going to say nobler—thing than to take over that road and operate it to Gagetown and even if he does lose a little bit of money on that branch it will give the province of New Brunswick the amount of money they are entitled to and which they require to pay the interest on the bonds.

Mr. COCHRANE: There is a good deal of traffic between Fredericton and Centreville but it is only at certain times of the year when the products of the farm are going out.

Mr. CARVELL: Doubting Thomas again.

Mr. COCHRANE: Well, I will be delighted if I am wrong if that will be any help to my hon. friend.

Mr. CARVELL: I know you are wrong.

Mr. COCHRANE: I think any one will say that in an agricultural country the time when the products of the farm are shipped out is the time when a railway carrying those products may make a little money. But there will be a lean period. If there was an outlet for this road, if we could get into St. John and get connections in that way, there would not be the same difficulty. I am afraid that with the stringency in the money market they will not be able to get into St. John this year. I think I am living up to the spirit as well as the letter of the Act; I want to anyway. I will not promise to-day that I will take over the thirty miles down to Gagetown, but I will give a service.

Mr. CARVELL: I am glad my hon. friend has some little faith. I can assure him that if he will come down and interview his officials it will confirm his faith.

Mr. COCHRANE: I will do so.

Mr. CARVELL: I dare say there will be lean periods, but judging by the information that I have from some of my hon. friend's own officials, who know more about the business than I do, these lean periods will be of short duration. I can tell the minister that the officials —not the officials at Moncton, but the men who are really operating the road and know the conditions—have no doubt that there will be a splendid profit on that road during the whole year.

Mr. COCHRANE: I hope there will be.

Mr. CARVELL: I have a great deal more faith than my hon. friend has. I am satisfied that if he will look it over he will have as much faith as I have.

Mr. COCHRANE: I hope to this year.

Mr. CARVELL: I hope he will. I have extended that invitation to my hon. friend a good many times and I am satisfied that if he goes down over that branch and makes himself acquainted with the possibilities around Gagetown he will have more faith than he has to-day. He talks about the stringency in the money market. I think I pointed out to him once before, and I will remind him again, that it is not a question of the stringency of the money market. The railway company sold their bonds for the construction of this road three years ago and they claim that they have the money on hand. If they have not the money on hand somebody has blundered, and blundered very seriously. It is not a question of the stringency of the money market; it is a question of whether or not the friends of the minister who got the money have properly conserved it. If they have not they should be brought to account and I think the minister should go after these people and find out whether they have been recreant to the trust reposed in them. If they have not they should be dealt with, and dealt with seriously.

Mr. COCHRANE: The people will attend to that and not I.

Mr. CARVELL: They will if they get the opportunity. There is one other question that I would like to call to the attention of the minister. Some four or five weeks ago I brought up in this House a professional matter. I complained very bitterly of the

treatment a client of mine, Mrs. Lynch, whose land had been expropriated nearly two years ago, had received at the hands of the minister, and I got his solemn promise that he would immediately have expropriation proceedings started. I have never known the minister to go back on his word, and I am not going to say now that he has done so. It may perhaps be a lapse of memory——

Mr. COCHRANE: Instructions have been given.

Mr. CARVELL: My hon. friend told me that a long time ago.

Mr. COCHRANE: You will soon find that the instructions have been carried out. My hon. friend is a lawyer and he knows how long it takes lawyers to get ready. I have done my part and I cannot do more. I will prod them up again.

Mr. CARVELL: I can tell my hon. friend as a lawyer that it just takes about one hour to start these proceedings. It is the simplest little document imaginable; it is only a page and a half, the document is printed and all you have to do is to fill in the names of the parties and start the suit. It is no use talking about the time lawyers take. The fault must be in some way with the minister's department. Now that I have his pledge that he is going to prod them up again I will drop that.

There is a business concern in Fredericton whose land has been taken very much along the same lines as that of Mrs. Lynch and for the same purpose—to force the road through Fredericton. I am speaking of the firm of Palmer, McLellan and Company, the boot and shoe concern. They complain very bitterly of the same treatment as that which has been accorded to Mrs. Lynch. Their land has been taken and they can get no satisfaction; nobody will talk with them or settle with them. I am not speaking as the solicitor for these people but I am speaking as a representative of that portion of Canada. It is not in my own constituency but I know the location well. It is just as important that he start expropriation proceedings, or take some other means of settling the damages with this company as that he should take proceedings in the case of Mrs. Lynch. Have I the minister's promise that he will start proceedings and have this matter settled as well?

Mr. COCHRANE: Yes.

Mr. CARVELL: I am very glad of it.

Mr. MACDONALD: There were two returns that I asked the minister to bring down and they should have been brought down by this time.

Mr. COCHRANE: What were they?

Mr. MACDONALD: There was one return with reference to the case of a man named Arbuckle. The returns are not voluminous. There are three of them relating to his department. I do not see why there should be any delay about them. We ought to have them before the Estimates are gone on with.

Mr. COCHRANE: I will look into it at once and let my hon. friend know.

Mr. COPP: I would like to draw the attention of the Minister of Railways to a matter brought to my attention recently in a letter I received regarding an accident that happened at the Main street crossing in the city of Moncton, on the 14th of September, 1912, when Mrs. O'Rourke was killed by a shunting engine. The matter was drawn to the attention of the department at that time, and some correspondence took place between the department and Mr. O'Rourke, who asked for some compensation, claiming that the accident was due very largely to the shunting operations which had been going on in Moncton for a number of years. I am glad to know that such accidents will be a thing of the past, as a subway is at the present time being constructed at the Main street crossing. The application made to the Department of Railways was given consideration. While I believe the department takes the ground that it is under no legal liability in regard to the death of Mrs. O'Rourke, yet I understand it has, if not admitted that it is willing to give some compensation, at least take the matter into favourable consideration. From some correspondence I have seen, I understand Mr. O'Rourke was led to believe that some compensation would be paid. Has the minister given the matter his attention, and has he come to any conclusion?

Mr. COCHRANE: The matter was brought to my attention along with the facts in regard to it. The gates were down, and this woman unfortunately went under them and over the track and was killed. I do not think it is a proper case for compensation. We had done our part in closing the gates. If the gates had not been down, we would have been guilty; but in this case I did not think we were.

Mr. COPP: My information is that the gates were changed the day after the accident. I have sent for further information in regard to the matter. I have not received it yet, although I expect it daily. That information may be on file in the minister's office, and I may be able to see it there. The letter I hold in my hand says, "We believe the position of the gates was changed the day after the killing."

Mr. COCHRANE: The gates were down, and that fact was notice to Mrs. O'Rourke that a train was coming. I have no information about the gates being changed. The gates were closed, and Mrs. O'Rourke took her life in her own hands when she went under them and crossed the tracks.

Mr. COPP: I am not in a position to argue the matter, because I have not all the information. The only information I have is general information that the gates were changed the day after the accident.

I have in my hand what purports to be a copy of a letter written by Mr. Gutelius, General Manager of the Intercolonial, to Mr. O'Rourke, under date of July 22, 1914. I do not know what authority that gentleman had for writing this letter or for holding out any inducement to Mr. O'Rourke that his application for compensation was being favourably considered by the Government, but this is the letter:

Your letter July 16, relative to compensation for the loss of your wife by being struck by a shunting engine on the Main street crossing, Moncton, on September, 14, 1912.

I have already advised you, I think, that there is no legal liability on the part of the railway in connection with the accident; but in view of your circumstances I recommended a compassionate allowance, unfortunately such recommendation was not received by the department at Ottawa in sufficient time to have it put in the Estimates voted by Parliament for this year. However, the matter will have to remain in abeyance to be brought up for consideration at the next meeting of Parliament.

(Sgd.) F. P. Gutelius.

I presume this matter was brought to the attention of the Government by my predecessor, the late Mr. Emmerson. It has now been referred to me. Surely the General Manager of the Intercolonial must have thought there was some good reason that could be advanced, and that was advanced, for a compassionate allowance being made to Mr. O'Rourke, or he would not have written that letter. While a definite promise is not given, the words of that letter can convey no other meaning to Mr. O'Rourke than that, if he waited until next year he would be allowed some compensation for the death of his wife, under those conditions. Mr. Gutelius would not have made that admission unless there was some circumstance that would lead him to believe that the Government would be at least morally responsible, and that it should give some compensation to Mr. O'Rourke for this very distressing accident. I do not know whether it is the financial condition of this man of which Mr. Gutelius speaks; but under the circumstances, and seeing that this inducement was held out by the General Manager of the Intercolonial, I hope that the minister will see his way clear, if the circumstances are as I am informed they are, to give this man, who is poor and who has a family to maintain some reasonable compensation for the loss of his wife. My hon. friend says—and possibly he may be right from a legal standpoint— that the gates were down and that this woman went under the gates or around them; but the Minister of Railways must not forget that that crossing for years has been a menace to the lives of the people of the city of Moncton. Considering all the circumstances, I think it is a very strong case for the consideration of my hon. friend the Minister of Railways.

Mr. COCHRANE: On what ground would you advise giving the compensation.

Mr. GRAHAM: Compassionate allowance.

Mr. COPP: As suggested by the General Manager of the Intercolonial, some compassionate allowance should be given to Mr. O'Rourke. I am not standing here to-day as solicitor for the Intercolonial to advise the hon. Minister of Railways from a legal standpoint; but, speaking from my knowledge of the situation, I would say that, whatever compensation or compassionate allowance is given to Mr. O'Rourke by the Minister of Railways, no criticism nor objection will be offered by my constituents or by any hon. member in the House.

Mr. COCHRANE: When the hon. member gets the further information for which he is waiting, I shall be very glad to discuss the matter with him; but it is a dangerous precedent to establish, to give compensation when a person deliberately goes on a railway line that is protected, and gets killed.

Intercolonial Railway—Amherst—Additional facilities, $16,000.

Mr. GRAHAM: What has been done at Amherst?

Mr. COCHRANE: Additional tracks necessary to provide for increased business at that point, as voted in 1914-15. The money was not expended last year.

Mr. GRAHAM: What struck me is the fact that the money, though voted, had not been expended. Is the minister going to expend it this year ?

Mr. COCHRANE: I hope so.

Mr. GRAHAM: It seems a pity to vote it when we are so hard up if we do not intend to spend it.

Mr. COCHRANE: I know; but if things improve we ought to have the money to expend. The improvements are absolutely necessary there for the accommodation of the traffic.

Mr. MACDONALD: What action does the minister propose to take in regard to the construction of a bridge across Pictou harbour ? I understand the matter has been under investigation.

Mr. COCHRANE: It is, but I am sorry to say the investigation has proved the work a difficult one. The mud is very deep. We have not come to a conclusion in reference to this work. I hope we shall come to a conclusion by next session, but we are not providing any money for it this session.

Mr. MACDONALD: I know it is not the minister's fault. The engineers he sent there last year to take the soundings, instead of working as they should have done on the ice, delayed and fooled along with the work, and did not get their soundings until after the ice had gone out, when the work could not be done with as great perfection as when the ice was there. There is grave local complaint among friends of the hon. gentleman as to the way the engineers dealt with the question.

Mr. COCHRANE: This winter ?

Mr. MACDONALD: No, last winter. This winter they were there only a day or two, and were said to be verifying some examination they had made before.

Mr. COCHRANE: I will make a note of the matter.

Mr. MACDONALD: I understand the position to be that the minister does not intend to do anything in the way of construction this year?

Mr. COCHRANE: No.

Mr. MACDONALD: Another matter to which I wish to refer is the case of Mrs. Higgins, who was injured on the 23rd of August, 1914, at Ferrona station. I would ask the minister to have inquiry made. It is a case of the train starting too quickly before this old lady could alight. From the information given me there is great merit in the case, and it is desirable, where a railway is in fault, and cannot show negligence on the part of the person injured, that it should settle with the party.

Mr. COCHRANE: I will take a note of it.

Mr. MACDONALD: I understand the minister to say with reference to the plans he has brought down, that the line of railway he proposes to construct would run from Sunnybrae through Guysborough county and the town of Guysborough to Mulgrave. The minister showned me the plan and stated that he proposed going by East River, St. Mary's. I think he is taking the right course. He will go through a settled country which is very fertile and where the conditions are very good, indeed. I have always contended for that route when my hon. friend the former Minister of Railways (Mr. Graham) placed in the Estimates, as he did, a vote of $1,000,000 for the purpose of constructing that road. I pressed upon him in the strongest possible way the desirability of following this route which the present minister tells me he has adopted, going through the garden of Eden and East River, St. Mary's section. I hope that, now that he has come round to the policy of his predecessor in constructing this road, though there has been a delay of some three or four years in the adopting of it—he will go on with the construction of the railway.

Mr. COCHRANE: To be fair, was there not a little dispute then as to the way it should go? No definite route was decided upon, I think.

Mr. MACDONALD: The whole was decided upon excepting with regard to the disputed point, for which I contended and which, as the minister will recall, I have frequently supported in the House since he became minister. Do I understand that the minister intends to proceed immediately to construct?

Mr. COCHRANE: As soon as we can get ready.

Mr. MACDONALD: What effect will this have upon the portion of the line from New Glasgow to Mulgrave?

Mr. COCHRANE: There is a portion of that line which had a rather heavy track, coming up from the ferry, on which the grades will be better. Going east the grades will be .6 per cent, and going the other way, .5 per cent.

Mr. SINCLAIR: And what are the grades on the other line?

Mr. COCHRANE: I have not the figures, but I think they run over 1 per cent.

Mr. MACDONALD: So the minister expects they will be able to make better time?

Mr. COCHRANE: No doubt about it. The hon. gentleman knows the state of the old road. With the improvements in the grades an engine will do nearly one-third more.

Mr. MACDONALD: In spite of the additional distance?

Mr. COCHRANE: It is only a short distance. This line is only 88 miles, and the hon. gentleman knows the distance over the other.

Mr. MACDONALD: So that the minister anticipates that when this road is constructed it will be a great highway for the traffic coming through from Cape Breton.

Mr. COCHRANE: I think it will be a great improvement on the present route.

Mr. WILLIAM CHISHOLM: If I understand the minister's proposition, the line from Sunnybrae to Port Mulgrave will be the main line of the Intercolonial railway?

Mr. COCHRANE: I said it would carry heavy traffic; but we will have to maintain the other line.

Mr. CHISHOLM: The minister points out that, as the grades will be lighter on the new line, the heavy traffic will necessarily go over that line. The result will be that the present line from New Glasgow to Mulgrave running through Antigonish will be merely a side line and only local traffic will be done on it. Has the minister looked into the facts to ascertain whether or not the present line could be improved, the grades reduced and the railway generally straightened out to enable it to carry as heavy traffic as the proposed new line? Three years ago there was a petition from Harbour au Bouche asking that the line be diverted from Linwood, running through Cape Jack and the village of Havre Boucher on to Mulgrave, instead of as now. This would get rid of the heavy grade between Big Tracadie and Mulgrave. I suppose the minister will say now, as he has said on previous occasions, that he is not responsible for the assurances of alleged agents or Tory emissaries who claim to have authority from him, but I may say that assurances were given that this diversion was going to be made. I see now that the minister does not propose doing that; he proposes that the general traffic shall cease to be carried through the county of Antigonish—through the districts of Harbour au Bouche, Linwood, Tracadie, Pomquet, Heatherton, South River, James River—and that the people shall be served by a mere side line. I am sure that this will be a great source of disappointment to the people of that district. I hope that before the minister commits himself to the policy which he proposes, he will look into the matter more carefully. Of course, I do not imagine that he is going on with the construction of this line just now; there are certain reasons, perhaps, why this item should appear in the Estimates.

Mr. COCHRANE: Is it not a proper line to build?

Mr. CHISHOLM: I am quite in sympathy with the construction of the line through Guysborough county, but I am not in sympathy with the degrading of that portion of the road which runs through the county which I have the honour to represent. The Conservative party are not living up to their pledges—that, of course, will surprise them—because instead of improving the road, as they promised to do; instead of furnishing better accommodations, assurance of which they gave the people of the eastern portion of Antigonish county, they are putting them off with a side line. Guysborough is the only county in the whole province that has not had railway accommodations. The Intercolonial railway runs through the northern part of Nova Scotia; in the southern part of the province there is the Halifax and Southwestern. After the construction of the Halifax and Eastern line was got under way, every county in the province with the exception of Guysborough and possibly Victoria, had been provided with railway transportation facilities. I approve, therefore, of the building of a line through Guysborough county; with that proposal I find absolutely no fault, although I do not know whether the route proposed is the most feasible. What I do find fault with, however, is that the Government proposes to put the people in that section of the country to which

I have referred on a side line, and the result will be that that portion of the line will not receive the attention that it otherwise would receive.

Mr. COCHRANE: What I did say was that probably the heavy traffic would go over the new line on account of the grades being better.

Mr. CHISHOLM: If the heavy traffic will go on that new line because of he fact that it has a six-tenths grade going east and a five-tenths grade going west as compared with the other line, which has nothing less than a one per cent grade, I do not think it is a very great stretch of imagination to suppose that the through trains will run on the new road, and that the other road will be only a side line. What I want the minister to do is to look carefully into the question of putting the present road between New Glasgow and Mulgrave in such condition that heavy traffic can be carried over it. I submit in all sincerity that with a reasonable expenditure of money the curves could be straightened, the grades reduced, and the road put in first-class condition, so that heavy loads could be carried over it from the strait of Canso to New Glasgow. I believe that that portion of the road could be put in as good condition as any portion of the Intercolonial from Sydney to Montreal. I repeat that I find no fault with the minister for proposing to build a line through Guysborough, but I submit that it is hardly fair to treat the people of Antigonish county in the manner proposed,
4 p.m. particularly in view of the fact that assurances were given that the grades would be reduced, the line straightened and great improvement effected on that portion of the road which runs through Antigonish.

Mr. McCURDY: The hon. member for Guysborough (Mr. Sinclair) has experience of this transportation problem, and in view of the unfavourable results anticipated by the hon. member from Antigonish, I am sure that the opinion of the hon. member for Guysborough would be heard with pleasure by the committee.

Mr. CHISHOLM: Let us hear your opinion first.

Mr. McCURDY: My opinion is that the proposed line would be in the way of an improvement. The first question to be considered by the Government in planning a road of this kind is the public interest; the second, the interest of the district immediately served locally.

Mr. CHISHOLM: My hon. friend says the proposed road would be in the way of an improvement. Perhaps it would, if on the new road you have six-tenths and five-tenths grades as against one per cent and upwards on the old road. But the hon. gentleman does not meet the point: can the present road be put in proper condition?

Mr. COCHRANE: Any road can, if you spend enough money.

Mr. CHISHOLM: Has the minister any estimate of what it would cost to put the road in good condition for heavy freight?

Mr. COCHRANE: No.

Mr. CHISHOLM: Has he ascertained whether the present road could be put in just as good condition as the present line through Guysborough county? If he has not, why does he give the assurance now that the heavy traffic is going to go through Guysborough county?

Mr. COCHRANE: I think I was understood by the members of the committee when I said that the grades on the proposed line will be lower than those on the present line; naturally the heavy traffic would go on the line having the lightest grades. My hon. friend knows as well as I know that you can put any grade you like on a road if you have enough money, but the operation might come to be too expensive.

Mr. CHISHOLM: Why has not the minister obtained an estimate of what it would cost to put the present road in reasonably good condition for the carrying of heavy freight?

Mr. COCHRANE: Demands have been made every session for the road which we are proposing to build. We have spent a good deal of time in selecting the best possible route, because, as I have often stated, a mistake is often made in spending too little money on surveys, and a thorough survey results in the securing of better grades. The necessity for reducing the grades on the other line has not arrived. In the future it may be necessary to look into the point raised by my hon. friend with regard to cutting down the grades, but that necessity has not yet arisen; it is in the interests of the province and of the whole country that we proceed with this

new line. Later, as I have said, the question brought up by my hon. friend might be considered.

Mr. SINCLAIR: Why did the minister select the route down the East river of Pictou instead of the West river of St. Mary's?

Mr. COCHRANE: Simply because the route which we have chosen runs through a productive country; on the other side it is barren.

Mr. SINCLAIR: I do not think my hon. friend is well posted in regard to that matter. There is a stretch of forest between the two valleys.

Mr. COCHRANE: Is there a settlement on that side?

Mr. SINCLAIR: If the minister calls the forest barren, there may be some truth in that, but when you reach the St. Mary valley at the West river you strike very fine farming country. I am not sure it is altogether as well cultivated as east of St. Mary; there may be an advantage in that respect, but it is not barren by any means. There is a fertile valley running down the West river of the St. Mary, capable of high cultivation. I do not think that the minister would have made any mistake in taking the route down the West river. I was wondering if any other reason had been placed before the minister by his engineers for selecting that route.

Mr. COCHRANE: No.

Mr. SINCLAIR: Apart from the question of route I am delighted with the announcement that the minister has made in this matter. This question has given me a great deal of concern all through my public life. For more than twenty years I have taken a very deep interest in railway communications in my native county, and I was very much pleased some four years ago to have the late Government take the matter up and decide to embark on the building of branch lines, and this one in particular. It was very gratifying to me that $1,000,000 was placed in the Estimates in 1911 to build a road into my constituency, and a decided step was taken at the time by purchasing the Sunnybrae branch at a cost of $100,000. The branch was conveyed to the Government by the Nova Scotia Steel Company; the money was paid and the deed delivered, I understand, prior to this Government coming into power. A contract was made for the construction of a part of the line and a deposit of money made by the contractor. Notice was also given for the expropriation of a right of way. After my hon. friend accepted the portfolio of railways he saw fit to cancel the vote of $1,000,000, and he also saw fit to cancel the contract made with the company, and gave notice to the proprietors of the land that the expropriation of a right of way would not now go on. This delayed all progress for four years. I regret now that the right of way was interfered with, because it will now delay construction. I know that my hon. friend from Queens-Shelburne (Mr. McCurdy) wants me to say if I am satisfied with the present route. I am so much pleased to have any kind of a railroad built into my constituency that I shall heartily support the minister's proposals. I may say, however, that the proposal of the late Government was quite satisfactory to me and to my constituents, and it did not involve any change in the position of the main line which for many years has been the main artery between Cape Breton and Halifax. The former proposal was to build a branch line from Ferrona, in the county of Pictou, to Guysborough, which as my hon. friend knows, is a seaport, with a branch from the cross roads of Country Harbour to the deep waters of Country Harbour. That proposal in the meantime was very satisfactory to my constituents in the county of Guysborough. They did not expect anything more than that at the time, and it was not proposed that any change should be made in the main line or the traffic on the main line. I would be glad if the minister were in a position to push forward the proposal of the late Government. That would be quite satisfactory to me. I wish to get all the railway accommodation I can for my constituency, but at the same time the member for Queens-Shelburne will understand that the old proposal was accepted by my constituents and myself and was satisfactory in every way. It did not interfere in any way with the rights or future prospects of the present line between New Glasgow and the strait of Canso. I notice that on the map the minister has a dotted line from Guysborough to Canso. I would like to know what his proposal is in regard to that line. I have no doubt that the minister is aware that there are great possibilities of traffic at Canso, that there is perhaps no other point in eastern Nova Scotia where the fish traffic could be de-

veloped to such an extent. If you look at the map you will see that it juts out into the Atlantic adjacent to the very best fishing ground that we have on the coast of America. You will also see that the fishing banks are directly outside of Canso and around it and that it is the most convenient place for fishing vessels to call and transship their cargoes. If we had a railway from Ferrona direct to Canso where the fresh fish could be shipped and put absolutely fresh aboard refrigerator cars bound for western points, I have no doubt it would, to a large extent, revolutionize the fish traffic in this country and give good haddock and codfish to the people not only of this province but of the West as well. The growth of the traffic has proven very satisfactory under the present accommodation. Not very many years ago there was only a boat three times a week connecting with the Intercolonial railway at Mulgrave, but under the late Administration a daily boat was put on the line and it is furnishing to a limited extent accommodation for fish traffic. On the establishment of a daily boat the fish traffic of Canso sprang to the front and it is now one of the most profitable branches of traffic from eastern Nova Scotia to the West on the present line of the Intercolonial. It could be enormously increased by giving direct accommodation to Canso. As my hon. friend has the reputation of doing big things, might I suggest to him that instead of giving us half an apple now he give us a whole one and project the line right through to Canso?

Mr. McCURDY: I am sure the committee has listened with interest to the remarks of my hon. friend from Guysborough, even though they have something of a local flavour. He did not, however, correctly divine the thought in my mind. I like to see credit for public improvements go where credit is due. What I wanted to ask was the date when the purchase of the Sunnybrae road was arranged for by the late Government and when payment was made, and whether he had any knowledge of the surveys which would necessarily precede that purchase.

Mr. SINCLAIR: I think the negotiations were going on while Parliament was in session during the winter of 1911, and that the purchase was made in the following spring, but I cannot give the exact date. As to the other question, the survey was completed from Guysborough to Sunnybrae, but there was a difference of opinion whether the road should go down the eastern or the western branch of the St. Mary's river. The late Government decided to divide the contract into two and they advertised for tenders for constructing the eastern end of the road from Melrose, I think, to Guysborough with a branch to the deep waters of Country Harbour. The western end was not let because the question whether to go down the east or the west St. Mary's river had not been decided.

Mr. McCURDY: Perhaps the minister can tell when the payment was made for the Sunnybrae road?

Mr. COCHRANE: On the 20th September, 1911.

Mr. McCURDY: The deathbed act of a dying government.

Mr. McKENZIE: There are three sections of railways in Nova Scotia that have been somewhat travelling together for the last few years. They are the Guysborough road, which has been receiving some attention here to-day, the Dean Settlement and Dartmouth road, and a section of road in the county of Victoria, which is part of the riding I have the honour to represent. Ever since I have been in the House one of my principal objects has been to obtain better railway accommodation for the county of Victoria, which at present is almost absolutely void of railway facilities. We should have no railway at all if it were not that the Intercolonial railway, by sheer necessity, touches the western end of our county. It is like the old story that to get to a certain district you must needs go through Samaria, not because of any profit there is to Samaria, but simply because you have to go through there to get to some other place. Similarly the Intercolonial to get to Sydney, has to skirt the western end of Victoria county, and that is all the railway accommodation we have. The minister is well aware that in 1911 the projects in those three places were about to be materialized and the contracts let. I understand that a contract was given in Halifax, and in Guysborough, but at any rate the tenders were in, whether they had been accepted or not, when the change of Government took place. The Dean Settlement and Dartmouth railway has been proceeded with, but the Guysborough and the Victoria roads have for the time being been abandoned. I am pleased that the minister has announced to-day that at all events a second step is to be taken in carrying forward the railway policy of the former Government in the eastern part of Nova

Scotia, and that the Government is going to provide the railway facilities so long sought for and so persistently fought for by the hon. gentleman who to-day represents that county. Although there was a change of Government, I myself did not let up upon the proposition of a railway in the county I represent, and last year I moved a resolution in this House, as appears at page 540 of the Votes and Proceedings of the House. The resolution read:

> That, in the opinion of this House, the time has arrived for the extension of the Intercolonial railway of Canada into the non-railway sections of the Maritime Provinces within reasonable range of the said railway.
>
> And the question being put on the said motion, it was agreed to.

That resolution of mine was accepted by the minister and by the Government, and I have no doubt that the vote which the minister says will be found in the Supplementary Estimates is to further implement the policy of the former Government, and to implement this resolution of mine which was accepted on the 16th March, 1914. My purpose in rising is to ask whether the minister, in providing for the extension of the road into Guysborough, has made the same provision for the extension of the railway into the county I have the honour to represent.

Mr. COCHRANE: I am sorry to say I have not. We have not had the surveys checked up, and we have not a vote this year for such a road.

Mr. WILLIAM CHISHOLM: The minister last year had a party of engineers surveying from Mulgrave to New Glasgow along the present line of railway, about the same time that Guysborough county was being surveyed. They also surveyed along the South River valley from South River station, on the Intercolonial, to Cross Roads, Country Harbour, where this new line was proposed to be run. I am sure the minister must have some report from his engineers, and some sort of estimate from them as to what it would cost to reduce the grades on the present line of railway. There must also be some report in the department on the proposed branch line from Cross Roads, Country Harbour, to South River. That road has been advocated by me ever since I have been in the House. There would be no engineering difficulties in building the road, and it would run through a well-populated, magnificent agricultural section that is badly in need of railway accommodation. I do not want the minister to think that I am for a moment suggesting opposition to the road running through Guysborough. What I am complaining about is that the minister, when his attention was called to the fact that it was necessary on account of the grades of the Intercolonial railway to find another route, did not make an effort to get the grades on the Intercolonial railway reduced. If he had done that, gone on with his proposed road from Sunnybrae to the strait of Canso, and built a branch line from South river to Cross Roads, Country Harbour, that section of the country would have been fairly well accommodated for the present with railways. Later on, of course, a branch would have been required to Canso, and some other branch lines.

Mr. COCHRANE: I have sent out to see whether there is any information in the department with reference to it. If the hon. gentleman will just let his question stand for a while, I will give him later what information we have.

Mr. CARROLL: I would like to ask the minister a question with reference to the surveys which were made last year between Sydney and St. Peter's. What is the situation there? There is a company road operated from Point Tupper to St. Peter's. Is it the intention of the minister to put anything in his Estimates for a road from Sydney to St. Peter's.

Mr. COCHRANE: We had a survey made with the view of reducing the grades on the main line and also a survey made from Mulgrave down by St. Peter's canal. I am sorry that the surveys do not prove as good down by way of St. Peter's as we expected. The road would cost considerably more than we thought it would in the first place. Then it was found that to get a .06 grade on the main line it would cost $58,000 per mile. The question has not been settled and, without saying positively, the conclusion that we shall likely come to will be to put in heavier bridges. If you put on heavier rolling stock you must have heavier bridges.

Mr. CARROLL: On the main line?

Mr. COCHRANE: On the main line. I think the engineers are pretty nearly prepared to recommend that we put in heavier bridges. If we built another line we would have to keep this line open as well, and it is believed that it would be more economical to put in heavier bridges on the main line and put on heavier rolling stock.

Mr. A. W. CHISHOLM: Could the minister give me any information in regard to

the proposed line from Orangedale on the Intercolonial to Cheticamp?

Mr. COCHRANE: An engineer went over the line this summer, but unfortunately I have not his report with me. I will be able to answer my hon. friend's question before the Estimates are through.

Mr. CARROLL: When does the contract with Mr. Gutelius as manager of the Intercolonial railway expire?

Mr. COCHRANE: He was engaged first for two or three years—I think three years—and his engagement continues as long as he and the Government work together.

Mr. CARROLL: Has the first three years' engagement run out?

Mr. COCHRANE: I think it will run out in May, or in three years from the time he started. I do not remember the date he started.

Mr. CARROLL: Is the minister going to renew the contract?

Mr. COCHRANE: We are perfectly satisfied with him.

Mr. CARROLL: I have taken the ground in this House before, and I am taking it again, that Mr. Gutelius is not giving service on the Intercolonial railway commensurate with the salary he is receiving. While the minister is satisfied with him as a railway man—and I have no doubt in the world that he is a good railway man—the people of the Maritime Provinces are not satisfied. I am in good company in this opinion because I am in the company of the hon. member for Colchester (Mr. Stanfield). I have always taken the stand before I came to this House, and I have done so since I came to this House, that there are men in the employ of the Intercolonial railway who are as well fitted to be placed in the position of general manager of the road as any importations which can be made by this or any other Government. I took that position two years ago. I believe that in the interest of the Intercolonial railway men who have grown up in its employment, bright, brainy men, who know the conditions of the road and who know the people that the road has to serve, should be given the opportunity of advancement to high positions when the time for opening these high offices comes. Men have grown up on the Intercolonial who have been obliged to leave that railway because they could not get the promotion which they were entitled to. They have gone to other railways, to the Canadian Pacific railway and the Grand Trunk railway, and have made good there. I am not blaming the present Minister of Railways and Canals. I think the last Government sinned along the same lines, but not so grievously as has this Government. The Truro Citizen, which is the personal organ, I understand, of the hon. member for Colchester, has taken this matter up. While the Truro Citizen is spreading broadcast through the Maritime Provinces that this Government is not doing the proper thing by the Intercolonial railway, or by the Intercolonial railway men, it seems rather strange that the gentleman whose personal organ this is would not take this matter up in the House. It is all very well for him, and for his paper, to criticise the Minister of Railways in a publication which the minister perhaps never sees. I am going to read a few things that appear in this paper, and here is one of them:

> Instead of removing Intercolonial Railway Company grievances rampant in 1911, the Government, if anything, has increased them, Instead of putting a stop to importing officials there has been an increase in imports. Of the old and tried officials in office in 1911, but three remain, so far as I can learn, viz., L. B. Archibald, superintendent of pullman, dining and parlor car service; D. A. Storey, district freight agent, and Owen Cameron, claims agent. All the others have been retired, including David Pottinger, and men imported to take their places; and in doing so I have no hesitation in saying that there was some rank injustice practised, injustice to men who entered the ranks as boys and spent years in trying to get to first positions. The present system has entirely killed merit on the Intercolonial railway. It does not come. The merit man finds himself supplanted by an importation.
>
> Some may say we have not the so-called natives capable of filling important positions. Rot of the worst kind. Not long since there was published in these columns a list of young men who left the Intercolonial Railway Company, or were driven out, who went west and rapidly rose to first positions on company roads. Is there any person verdant enough to believe that these young men exhausted our supply of brainy, of capable men? It was only the other day that Grant Hall, driven from the Intercolonial Railway Company, went to a very important position in the service of the Canadian Pacific railway.
>
> Now if brains, ability, count with western company roads, and they do, why do those roads, which always pay big salaries for the right men, let clever men go to join the Intercolonial Railway Company? If the men who have been imported for the Intercolonial Railway Company were such wonders, how came it that the company roads let them go? I am not attacking the ability of the so-called imported officials, not at all, I believe they are

capable men, but I also, at the same time, believe we have just as capable men in the service of the road. I may be wrong, but I want to be proved wrong before I believe I am wrong.

That is one of the articles that appears in the Truro Citizen. It is a Conservative paper, but I am bound to say that I agree with every word I have read. I think that the people who, up to 1909, managed the Intercolonial railway for $6,000 a year, were capable of managing it just as well as those who manage it to-day. They had grown up with the road, and they were just as capable of managing it as any $20,000-a-year importation which the present or past Government may have seen fit to bring in.

This writer says:

I understand the Minister of Railways very dramatically remarked recently that people down this way were "crucifying" Mr. Gutelius, general manager of the Intercolonial Railway Company, of Canadian Government railways. Poor Mr. Gutelius, however, judging from the fact that he receives $20,000 a year salary, free house, use of a private car, attended by a retinue of servants, and given a fat travelling allowance, if he is being crucified, in the words of William Jennings Bryan, it is on a cross of gold. By the way let us drop the word "crucify" and use instead "persecuted". I don't like that word crucify being bandied about in the discussion of secular things. The above enumerated is not all Mr. Gutelius has got out of the Government for his services during the last three years. The total in cash must be upward at least of $100,000. For my part I could stand a good deal of that kind of persecution.

In this letter in the personal organ of my hon. friend, the member for Colchester county (Mr. Stanfield), he goes on and invites the Minister of Railways to the town of Truro to have the matter out with him. He says:

If the minister thinks his Intercolonial Railway Company policy is popular, why does he not go to railway constituencies and learn first hand if it is or not? Why does he not hold meetings in the railway centres or chief points, such as Halifax, Truro, Moncton, St. John, New Glasgow, St. Flavie and Sydney? If he will come to Truro I will guarantee him a free hall and an audience and if he does not go away a wiser man in respect to the popularity of his policy, I will take back every word I have said in criticism and apologize for them.

Mr. COCHRANE: Did you go?

Mr. CARROLL: I would really like to have the assistance of my hon. friend for Colchester in this matter. I rather think his words and his opinions would have more effect than mine would, if he were to tell the minister point-blank what he thinks about the present management of the Intercolonial.

[Mr. Carroll.]

There is another long article in this paper under a date subsequent to that of the article from which I have read, in which he sets forth the reasons why the Intercolonial was built. He says that the minister does not understand the constitutional principles that surround the Intercolonial railway. He tells the minister that that road was built for the people, and that it was not intended that the Intercolonial should be made a railway for the payment of surpluses. He is a very strong party man and is in favour of the present Government along other lines; but he thinks that the Minister of Railways, being from Ontario, does not really understand the Intercolonial. I am not going to take such a local stand as that. I believe the Minister of Railways understands perfectly well the intention of the builders of the Intercolonial, and the intention of the people who had to do with Confederation in this country in regard to the Intercolonial. I am not going into the history of the Intercolonial, nor of the various discussions that took place at Confederation on behalf of Nova Scotia and New Brunswick as to the future conditions which should surround the Intercolonial. Suffice it to say that if the people of Nova Scotia and New Brunswick at that time could have foreseen the developments along the lines of a corporation railway which have come and found themselves around the management of the Intercolonial in times past, I do not believe that either one of those provinces would have entered Confederation. That is an old question, and I am not going into it. The management of the Intercolonial railway at the present time may be all right, in so far as a business policy is concerned, that is, in the way of increasing freight rates and so on; but the policy of the Government, in so far as importations of men to be put over the heads of men who have grown up with the system, is not a wise policy; it will be detrimental to the best interests of the Intercolonial railway, because it will result in men coming to the conclusion that there are no avenues for promotion on that railway, and they will not take the same keen interest in their business as they have been taking in the past. The result will be that men who have grown up in the service of the Intercolonial will go to other railways. That will be a disastrous thing for the Intercolonial, because there are no men more qualified to manage its own affairs than are the men who have grown up with the sys-

tem. It is unfair to them as well as being an unwise policy. In so far as my views are concerned, I am in good company; I am with my hon. friend's, or his friends are with me in the matter. I am not finding fault with Mr. Gutelius; I am not saying that he is not a good man to manage the Intercolonial; but for a good salary the minister could get a man out of the service as well qualified and capable as is Mr. Gutelius, and those men should have the choice.

I have no doubt the Minister of Railways did not see the paper of his friend from Colchester, and I believe I could interest him by reading the very nice things it says about his department in regard to the management of the Intercolonial. Some of them are small matters, and I am not going to read them to the minister. Some of them are matters of more importance; but I have read what I think most helps my case in this regard, that is, that the policy of the Intercolonial railway and of the Government, should be to give to the local men from Nova Scotia and New Brunswick and Quebec, through which that road runs, the chance of promotion. If it is a fact, as is set out by the paper of my hon. friend, the member for Colchester, that only three chief officials of that road have been retained by this Government, it is time that the people of this country asked for a chance in the management of the Intercolonial railway.

Mr. BOULAY (Translation): Mr. Chairman, I wish to recall to the attention of the Minister of Railways a question I put last year at a time when he was absent from the House. It was about the difficulties which passengers from the province of Quebec, between Campbellton and Montreal, encounter in the dining cars of the Intercolonial. Complaints come daily from French-speaking people who, like persons of other nationality, desire to take dinner on board, but cannot make themselves understood by the waiters. Only last week, two ladies who arrived here were telling me that they had taken their dinner on board the Intercolonial, and although they had paid the price they had been only half served, because the waiters could not make out what they asked and the menu was drawn up in English only. This has been the case for the last fifteen years. But that the abuse has lasted so long is no reason to perpetuate it. It seems to me that it would be easy to have on every dining car a man who understands French to help the passengers who do not understand English. In this connection, I shall quote from a correspondence published in "Le Progress du Golfe" of the 5th of February last. The heading is: French on the Intercolonial. Here is an extract:

> Mr. Editor:—I think I read, a few weeks ago, in the columns of your valuable paper, that the Railway Commission had at last consented to provide for French Canadian passengers on the Intercolonial a dining-car service that would meet with their just requirements.
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> But you can imagine my surprise and indignation in realizing last week that no change in this respect had taken place on the dining-cars of the Intercolonial. I vainly insisted on being given a menu drawn up in French; I was told there was none. I persisted in speaking French: they stupidly answered that they did not understand.

I grant that the author of this letter is perhaps a little too exacting. It would as a matter of fact, be quite expensive to have menu cards which change every day, printed in both languages. The English menu card might do, provided there be someone around able to translate it and it would be a secondary matter, provided there were some waiter who could understand French.

Every one knows that half of the Intercolonial line is through the province of Quebec, from Montreal to Metapedia. Very often our compatriots are put to that sort of inconvenience in travelling in that section of the country. There ought to be in the dining cars at least one man—preferably the conductor—who understands French. Waiters are changed oftener and it would be better if the conductor were the one to understand French. Conductors of dining cars should be made to learn some French. It is easy enough; we ourselves learn to speak English. With a little knowledge of French, this conductor should be useful to all the people travelling on that line. He need not be a French scholar, it would be sufficient for him to be able to speak a few words of French so as to make himself understood by passengers.

Mr. DELISLE (Translation): As on board the trains of the Canadian Pacific railway.

Mr. BOULAY (Translation): But there is here more than a question of public convenience, there is a question of revenue. If only ten persons travelling on the line from Campbellton to Montreal do not take their dinner on board, because they cannot be understood by the waiters, it is so much lost to the railway. This improvement should have been made fifteen years ago when dining cars were put on the line. Because it has not been done, is no reason why it should not be done now.

Now, Mr. Speaker, I would call attention to the time-table of trains leaving Montreal. There may be serious reasons of which I am not aware and I should be glad to know them, I refer to the time when the maritime express leaves Montreal, which is 8.45 a.m. This train used to leave at twelve. But this was changed a few years ago and 8.45 a.m. is the present time of departure. That time is not in the interest of the Intercolonial, because it precedes by fifteen minutes the arrival of the Pacific train from the west. On that western train, which comes into Montreal at 9 a.m., there are always many passengers who are going east. What is the result? Some of these passengers continue on the Canadian Pacific railway instead of taking the Intercolonial, or if they wish to travel by the Intercolonial, they have to wait in Montreal for twenty-four hours, especially when the Ocean Limited is out of service. Even if the Ocean Limited is running, travellers from the West have to wait about twelve hours. I can see no reason why the maritime express should not leave at 10 o'clock, thus giving passengers from the west time to go from one station to the other and take the Intercolonial. I believe there would not be any great inconvenience in changing the time-table as I suggest. I did not have the opportunity of discussing the matter with the superintendant of the road. If there are serious objections I should be glad to know them. The present time-table occasions a loss of time to the travelling public and a loss of money to the treasury. Now, a word about another anomaly. The service on a section of the line which runs through my constituency is performed by New Brunswick people. Every one sticks to his own people and his own province; so I would plead for my own compatriots. The time has arrived for a change here. In olden times the Metapedia valley was an uninhabited desert, and naturally officials had to be selected from New Brunswick; but to-day things have changed and this mode of selecting officials should change also. Yet those New Brunswick employees do not speak French. Thus the superintendent and foreman do not speak French and those who work under them are all French Canadians. I cannot see why that section of the Intercolonial should not be under the control of the superintendent at Lévis. If that would be giving him too much, a second division could be made comprising the line from Campbellton to Montreal under a French Canadian superintendent.

That course could now be easily justified, because the superintendent at Campbellton has been given a good deal more work since there has been leased by the Intercolonial one hundred and ten miles of railway going to St. Leonard, New Brunswick. It seems to me that this is a sufficient reason for giving control of the Quebec part of the Intercolonial to a Quebec man.

That is the occasion of much inconvenience to the farmers, for the passengers on the Intercolonial and to the patrons of the road who have to talk business with the superintendent, or the foreman either about fences or other works on the road and cannot make themselves understood. The same necessity was not always felt, because the land was not yet settled, but to-day the land is taken up and a change of method is urgent.

There is another defect I wish to bring to the minister's attention. That defect, or rather flaw in the Government railways legislation, has been discovered by the superintendent at Campbellton. When the farmers applied to the superintendent to have railway crossings placed at the end of their property with a proper grading, the superintendent always answered them during the last ten years that the law allowed it only for private companies and not for Government railways. So the farmers cannot have their crossings and cannot force the Government to make the necessary grading. I looked personally over the Act and I found that, as a matter of fact, it is silent in that respect as regards Government railways, while providing for private companies. It seems to me that the Government should not take advantage of this defect in the law to refuse the request of the farmers for proper crossings.

I will close my remarks, Mr. Chairman, by asking the hon. Minister of Railways to kindly grant us, as soon as the country's finances will allow and with the least possible delay, the favour of acquiring by purchase or lease the small railway from Sainte Flavie to Matane. Serious inconveniences are suffered by passengers and shippers who, because the road is operated by a company, have to pay double rates and experience long delays in the delivery of the freight. I submit it would be in the interest of the Intercolonial either to rent or purchase this shore line which cannot be very expensive.

It crosses a great section of my county fairly well populated and prosperous. The acquisition of this short line would work to the benefit of the Government and of the whole district.

Mr. COPP: I wish to say a few words on the subject of the general management of the Intercolonial railway which has been brought up by my hon. friend from South Cape Breton (Mr. Carroll.) I do not profess to be an expert in railway matters, but this question of the general management of the Intercolonial is a very interesting one in the Maritime Provinces, especially at this time, and I believe there is no constituency more interested or more concerned in it than my own. I am not here to say anything of an unkind or harsh nature in regard to Mr. Gutelius, the manager of the Intercolonial railway. I have not the pleasure of his personal acquaintance, and therefore know nothing about his ability in his line. But from the information I have, information which I believe to be reliable, the management of the Intercononial railway for the last few years has not been of a character best calculated to promote the interests of the road. When I first had any thing to do with public matters the Intercolonial railway was operated under the management of Mr. Pottinger. I freely admit that within the last few years the Intercolonial railway has enlarged and we are having more and better trains than in the old times; but down to 1911, and even to 1912, Mr. Pottinger was at least a very prominent figure in the management of the railway. I believe that somewhere about the year 1908—the ex-Minister of Railways and Canals (Mr. Graham) will correct me if I am wrong—a change was made and the management of the Intercolonial railway was entrusted to a commission, of which commission Mr. Pottinger was a member. This went on for some time, and different men were brought in from outside, and also some of our own men were chosen to be members of that board. I did not see any advantage in that form of management. Strange to say, in the election of 1911, the candidate of the Liberal party in the county of Westmorland condemned the commission form of management of the Intercolonial railway and declared that it would be better to have one man at the head of the concern as general manager. The candidate of the Conservative party in that constituency declared that the commission must go. More than that, he pledged himself that if there was a change of Government we should have a Maritime Province man as Minister of Railways. As we all know, the Liberal candidate in Westmorland was successful but the Liberal Government was defeated. Yet, strange to say, the gentleman who at that time was particularly discussed, Mr. Brady—against whom personally I have not a word to say—instead of being dismissed as had been promised by the Conservative candidate, has been promoted and his salary increased, and a house has been purchased or leased for him, and a large expenditure made to keep him living in luxury. And now, as the hon. member for South Cape Breton (Mr. Carroll) has said, a stranger has been brought in as general manager. The hon. gentleman refers to him as an "importation." If I refer to him in that way, it is with all due deference and not in a slighting way. I do back up and corroborate, however every word that my hon. friend from South Cape Breton has said—in my opinion there are just as good men who have been in the employ of the Intercolonial railway, men who have been retired from the Intercolonial railway to make room for this gentleman, who are just as good in their line and just as capable of managing the Intercolonial railway as any man who could be brought in from anywhere outside of this Dominion. I may be wrong, but that is my strong conviction. Not only do I object to this man being brought in, but I go further and say that in my opinion the salary of Mr. Gutelius is altogether too large a sum to pay for the management of the Intercolonial railway. I am not here to talk small politics, but I believe I am voicing the sentiments of my constituents and of the people of the Maritime Provinces generally when I say that, particularly under present conditions, the salary of Mr. Gutelius is far larger than it ought to be.

5 p.m.

An hon. MEMBER: How much is he getting?

Mr. COPP: $20,000 a year, is it not?

Mr. COCHRANE: Yes.

Mr. COPP: Besides his salary of $20,000 a year, as my hon. friend has said he is provided with a private car, with a porter and servants—

Mr. COCHRANE: Have not the superintendents and others always had their private cars? There is nothing new in that.

Mr. COPP: I was going on to say when the minister interrupted me—and I want to be fair; I am discussing this exactly as I feel about it—that I have no objection to the general manager having his private car; I believe it is only proper and right

that he should have it, and I should be surprised if he did not. But I do not believe that it is in the interest of the Intercolonial railway, nor do I believe that it is in accordance with democracy as we have it in this country, that the general manager or any other official, if he wishes to go from Moncton to Amherst to address a public meeting, should go in his private car and take his servants with him. Nor is it necessary, when an official of the Intercolonial is called upon to go to Prince Edward Island, to have his private car attached to the train and taken to Pointe du Chêne to take the boat. And when he wishes to return, I do not think it is necessary that he should wire back to have his private car sent from Moncton to Shediac, a distance of seventeen miles, to bring his lordship back to the city of Moncton. My hon. friend smiles. But I can tell him that that has been done. I want to be fair: it was done not only under the present Government but under the late Government, and I opposed it then just as seriously as I do now. I believe the time has come when the Government will do well, the Minister of Railways particularly, though he is not a Maritime Province man, to take enough interest in the maritime provinces to let these people understand that they are being paid by the people and that they are the servants of the people and should not impose upon them in this matter.

I go a step farther. I fear that governments and cabinet ministers sometimes forget the time when they represented constituencies and had to look after the small things of those constituencies. In the same way, I believe that one of the disadvantages in bringing in these men from outside to manage the Intercolonial railway is that they are apt to forget that they have under them men who are struggling to meet bare expenses while they are living in luxury. It is all very well for Mr. Gutelius to draw down his $1,666.66 every month in the year, and besides that he has a free house, free fuel and everything in connection with the running of his house.

Mr. COCHRANE: That is not true.

Mr. COPP: I am subject to correction in that respect. He gets his house free I suppose?

Mr. COCHRANE: I think so.

Mr. COPP: And his fuel?

Mr. COCHRANE: No.

[Mr. Copp.]

Mr. COPP: Mr. Gutelius draws, as I say, $1,666.66 every month. Compare this with the amount paid to the average employee of the railway, who, working ten hours a day, must work three years in order to draw as much as Mr. Gutelius draws in one month. When these workingmen come face to face with that consideration, then they begin to doubt that they are properly treated by the Government. The feeling is growing in the Maritime Provinces and in my own county that men who are working on the Intercolonial railway are not receiving the pay that they should receive, while officials of the railway in higher positions are being paid more than they ought to receive. Under those conditions, it seems to me, the policy of bringing in outside men and putting them over the heads of men who already hold positions on the railway is one which overlooks entirely the rights and interests of Intercolonial railway employes. I bring these matters to the attention of the minister simply for the purpose of expressing the opinion that they do not constitute the proper policy for the conduct and general management of the Intercolonial railway. I believe that the Intercolonial railway was just as well conducted and managed years ago as it is now. If newspaper reports are correct, I believe that there are many more accidents than there used to be.

Mr. COCHRANE: I want to correct my hon. friend in that. Since the "safety first" movement was introduced, accidents have been very materially reduced all round.

Mr. COPP: I am glad to have that information; I was speaking simply from my reading of reports of accidents as published in the newspapers. It does seem that the Minister of Railways would do well to take into consideration the suggestion made by the hon. member for South Cape Breton in regard to this matter. Under the circumstances I think that the minister could very well ask Mr. Gutelius to allow his salary to be reduced, particularly during these hard times, when business is dull and money scarce. I express these views not as having the least feeling against the gentlemen who manages the Intercolonial railway. I have nothing against Mr. Brady; I know him personally and do not wish to say anything against him. But I do say that as a general thing the management of the Intercolonial railway is costing too much, and I believe that

if a change were made the people would be better satisfied in the Maritime Provinces generally, and particularly in my own constituency of Westmorland.

Mr. COCHRANE: I do not object to any criticism made by the hon. member for South Cape Breton or by any member of the committee, no matter upon which side of the House he may be seated. I should not object to any Conservative member criticising my action in the management of the Intercolonial railway; I think the man who holds a position such as I hold to-day must expect criticism. The hon. gentleman said something about business management. I must manage the railway in a business way, because I do not know anything about managing it any other way. I have endeavoured, to the extent of my ability, to look after the interests not only of the people of the districts concerned, but of the whole people of the country. I do not suppose that anybody could manage the railway and give perfect satisfaction to everybody. I have endeavoured to keep politics out of the Intercolonial railway. I do not think it is in the interests of the line or of the people served by it that an institution like the Intercolonial railway should be run on political lines. I have held that view since I took office, and I will continue to hold to it and to carry it out. In reference to the promotion of men, one of the planks which I laid down when I first took hold of the Intercolonial railway was that promotion should take place from the ranks upon merit, and upon merit only. I am bound, as long as I am in office, to carry out that principle. I do not think that I am the only Minister of Railways who has ever been criticised, but I do not think that no Minister of Railways has gone over the system as I have gone over it and has tried to make himself as fully acquainted with it as I have. I have been told, though I do not know it as a fact, that other ministers—not my hon. friend (Mr. Graham) sitting over there—have had to lock the door of their car when they stopped at certain stations. I will never do that. The hon. member for Rimouski directed my attention to the advisability of having French-speaking officials on the buffet cars. I am glad he called my attention to that matter; if he had spoken of it before I should have had it adjusted, but it has never been brought to my attention. He complains about our bringing men in from New Brunswick and employing them upon the Quebec portion of the railway. I do not believe that under any system you can avoid doing that, and I do not think it affects the men at all. It may be that to have on the line operating in the province of Quebec men who do not speak French would be detrimental to the service in some respects, but on the wohle I think it is better for the men to move round and to have this added opportunity of studying their work and becoming more efficient in it. I could not follow the hon. member for Rimouski in all his remarks, but I will refer to his speech when translated and take note of what he has said. In reference to the remarks of the hon. member for Westmorland with regard to the purchase of a house for Mr. Brady, I may say that the house was bought because of the subway to which reference has been made. The damages which were occasioned to the house necessitated its purchase, but Mr. Brady is paying rental for the house, just the same as other employees are paying rental for theirs. I think there is nothing wrong in leasing him the house, even if he is an official of the railway. My hon. friend referred to private cars. I think that when he studies the railway question a little further he will find that it pays to have a private car for the superintendent. Without exaggerating, I think Mr. Gutelius receives 300 letters a day, and when he travels in a private car he can have his secretary and other officials with him and may attend to business all the time. I know he has done this, because I have made trips over the road with him. I am sure that any one who has had anything to do with the management of a railway knows that it pays for the manager, and even the superintendents under him, to have a car to travel in, for it enables them to perform their work much more efficiently and with greater satisfaction all round. As for the personnel, I must say that I think no railway in the land has a better class of men than is to be found on the Intercolonial. My instructions are that the men who show an interest in their work are to be watched, with a view to promotion. It is not desirable that I should bring in outside people, but I must say that the system introduced by the ex-Minister of Railways was not working out to advantage. With the exception of Mr. Pottinger who, like myself, was getting on in years and would in any case have had to retire very soon, we have kept on all the men who were on the old Board. Mr. Brady, who was superintendent and a member of the Board, is continued in active

work under the present General Manager. He was the man who, when I first took office, seemed to know more about the Intercolonial than anybody else. As regards the pay of the men, I do not take any credit for it, but the total amount paid in wages to-day is considerably higher than when we took office. We are getting the confidence of the men from one end of the line to the other, though of course we shall never have the confidence of them all. But the majority of them feel that we take an interest in them, that we have their welfare at heart, and are not simply trying to get all we can out of them. My hon. friend from Westmorland (Mr. Copp) has mentioned the safety first movement. I do not know anything that the men have taken a greater interest in, both for their own sake and for the sake of the travelling public, than the safety first movement.

Notwithstanding the criticism that has been made of Mr. Gutelius, I say, and I am glad to say it, that he puts into his work all that is in him. He has satisfied me to the full. He may have made mistakes, but the man who does not make mistakes never does anything at all. He is there to work, not for any one individual, but in the interest of the whole people. I am satisfied that he gives great value for the salary he receives, and as long as I occupy my present position I propose, with the consent of my colleagues, to retain Mr. Gutelius in his position at that salary, for I think it is in the interest not only of the road, but of the whole Maritime Provinces. Where the greatest improvement has taken place is in the engineering. I do not wish to say anything about Mr. Mackenzie. He is an estimable gentleman in many ways, but I do not think he was a good engineer. If I were to criticise the construction of the Intercolonial I should say that instead of trying to get rid of grades they tried to get hold of them. It was in the engineering department that the great mistakes were made, mistakes which will cost a great deal of money to eliminate. I am satisfied that the Sydney branch could have been built very much cheaper and with much easier grades; and if that had been done our engines instead of being able to haul only 500 tons would have been able to haul 1,200 to 1,500 tons. It does not take an expert in railway matters to see how it pays to have low grades. I think that what we should study most of all is how to get the road down to a proper business basis, and how to get the most out of our rolling stock. And as long as I occupy this position I intend to try and improve the system, to have the interests of the men at heart, and to do for the road the best that within me lies.

Mr. KYTE: I have listened with a great deal of interest to the observations made by the Minister of Railways. I will supplement his statement that the unsatisfactory condition of the Intercolonial through the island of Cape Breton was due to bad engineering, by saying that the bad engineering, if such existed in the construction of the road, was due to bad politics. For it is very well known that the location of the Intercolonial through the island of Cape Breton was purely a matter of politics. Very strong representations were made to the Government of that day that a very much better and cheaper line of railway from the Strait of Canso to Sydney could have been located through the county of Richmond and the southern portion of the county of Cape Breton. But political interests were too powerful with the Government of that day for them to accept the cheaper and more satisfactory road from every point of view, and the consequence is that the minister has to-day to deal with a railway running through the island of Cape Breton which is in the condition he has described. Last year a survey was ordered by the Department of Railways and Canals through that section of the country extending from St. Peter's to the city of Sydney, with a view to estimating the cost of a road through that section, and it was also the intention of the Government, at all events it was the intention of the late Government, to acquire the Cape Breton road, running from Point Tupper to St. Peter's, and to extend that as a Government line to Sydney. I very much regret to learn from the information which the minister has given the committee this afternoon that the report of the engineers who made that survey from St. Peter's to Sydney is unfavourable, and that owing to the cost the Government does not intend to take over the Cape Breton railway and extend it to Sydney. That will be a matter of very deep disappointment to the people living in the constituency which I represent, as well as to the people in the constituency of South Cape Breton. We have always felt that, owing to political exigencies, we were improperly deprived of having the Intercolonial pass through that section; but that injustice to that important section of the island of Cape Breton was about to be remedied by the late Government just be-

fore they went out of office. The Minister of Railways of that day had actually introduced legislation in this House for the purpose of enabling him to deal with certain branch lines in the Maritime Provinces, of which Cape Breton railway was one. Had the Government not been defeated in 1911, I am absolutely certain that the plan of the ex-Minister of Railways would have been carried out, and that to-day not only would the railway from Point Tupper to St. Peter's be operated as a portion of the Intercolonial, but I am convinced that if the extension of the line from St. Peter's to Sydney would not already have been completed it would be fairly under construction. From a statement made by the Minister of Railways this afternoon it seems there is no hope of the people in southern Cape Breton enjoying the advantages of a Government railway through that section of the country. We will endeavour to get along the best we can and hope that the day is not far distant when some relief may be afforded to the situation which exists there at the present time. While I am on my feet I should like to ask whether the minister has a report from the engineers who made the survey from Sydney to St. Peter's last summer, and if so would he be good enough to lay it on the table of the House.

Mr. COCHRANE: I am sorry to say I have not got it here, I shall have to get it from Moncton.

Mr. KYTE: I see that the plan of the survey of the road from Guysborough has been laid on the table of the House. I am equally interested in the report I have asked for.

Mr. COCHRANE: All right, I will get it.

Mr. McKENZIE: I have listened with some interest to the observations of the hon. member for Richmond (Mr. Kyte), and while it is quite true that possibly a better line of railway could have been obtained by way of St. Peter's to Sydney, there was a great deal of difference of opinion at that time, and the final location of the road was a sort of compromise between the two sides of the island, possibly the best for the time being. I have always contended that no one railway could supply the necessities of the island of Cape Breton, as it is practically two islands divided by the sea. When there is a railway running through each arm of land, the people will have fair railway accommodation, but until that is done the necessities of the case cannot be met. The minister refers to Mr. Mackenzie, who was chief engineer of the Intercolonial railway. I am extremely clannish to the name Mackenzie, but I must say that this Mr. Mackenzie is no relation of mine. If there were bad grades on the Intercolonial railway, Mr. Mackenzie never had anything to do with the finding of the grades. He was not in the service of the Intercolonial railway when it was built from Rivière du Loup to Halifax, or to New Glasgow. The Intercolonial railway from New Glasgow to Port Mulgrave was built by a company with which Mr. Mackenzie had no connection. The road from Port Mulgrave or the strait of Canso to Sydney was built under the supervision of another engineer; and from Montreal to Sydney, I venture to say, Mr. Mackenzie never had anything to do with the finding of the grades of the present railway. It is true he was on the road as chief engineer of maintenance and other works, but never as an engineer of construction on any part of the line. It is only fair to an old servant of the Government and the road like Mr. W. B. Mackenzie to say that he never had a chance to find any grade on the Intercolonial railway. Therefore he should not be held responsible, whatever difficulties may arise.

Mr. COPP: The minister either misunderstood my argument, or he was hardly fair in attempting to make it appear that I had argued against private cars. I distinctly said I had no objection to private cars, and would be very much surprised if they were not used by the general manager and even the superintendents of the divisions. I was complaining of the use of private cars otherwise than on business trips.

Mr. COCHRANE: But they are doing business going and coming; the car is their office.

Mr. COPP: Would they be doing much business going from Moncton over to Pointe du Chene?

Mr. COCHRANE: Yes, some.

Mr. COPP: Or returning from the island, would it be necessary for the superintendent or any official to wire to have a car run down to meet him at Pointe du Chene to return to Moncton? Is that reasonable?

Mr. COCHRANE: That would take three-quarters of an hour, and he could do a lot of work in that time.

Mr. COPP: My hon. friend says he believes that to be a proper use of private cars. I take issue with him on that ground. I do not believe that is a proper use of a private car. Is it a proper use of a private car, if an official's wife wants to go from Moncton to St. John, to put a private car on an express train?

Mr. COCHRANE: I am not going to discuss ladies here.

Mr. COPP: Does he approve of that use of a private car, and further would he approve of the use of private cars being attached to express trains to go to the golf links in the afternoons?

Mr. COCHRANE: No, that I would not approve of, if it is true.

Mr. COPP: I am glad to have something that the minister would not approve of, and if he will inquire into these things he will find that what I have suggested takes place in my constituency. I wish to have it understood that I make no criticism of the general manager or other officials having private cars for use on business trips, but I do not believe that the uses which I have pointed out are proper.

Intercolonial railway—To strengthen bridges, $700,000.

Mr. GRAHAM: When the hon. gentleman's predecessor was in office the minister was not in this House, and so he does not know what real tribulation is. His predecessor used to be abused most unmercifully in the House because he insisted on spending something on capital account, and was told on more than one occasion that the time had arrived when the capital account expenditure of the Intercolonial railway should be cut out. All these items look so familiar to me and remind me of the strong criticism that we should have no more capital account expenditures, although that criticism was not well grounded. This year my hon. friend proposes to spend on capital account between the Intercolonial railway and Prince Edward Island some $10,000,000, which is a pretty large addition to capital account. There are one or two large items, such as the works at Halifax, which come into this, but does the minister really intend to spend all of the $10,000,000 on capital account this year? There are certain items of taxation which are being imposed, because the minister says he will spend $10,000,000 on capital account. If he is going to spend it judiciously and intends to expend it I have nothing to say, but if it is only put in lest he might want to expend it and he does not really intend to, we might reasonably not have such a great amount of taxation imposed on the country, and this item might be reduced to just enough to cover what he really intends to expend.

[Mr. Cochrane.]

Mr. COCHRANE: I think my hon. friend will agree that the expenditure at Halifax is necessary. Then there are heavy capital account expenditures at Cape Tormentine. If the hon. member had read the report on the bridges he would agree that they should be strengthened, because they have been there a long time. The bridges were not put in for the power that is being used to-day; in other words, we have been increasing the motive power for a long time and not increasing the strength of the bridges. In many cases we have to brace up the bridges, and I think that is a very necessary item.

Mr. GRAHAM: I am surprised that Mr. Gutelius wants to put in steel structures, because I understand that in connection with another system he thought wooden structures were pretty good. I am surprised that he should recommend steel structures for this railway. I agree that they ought to be put in. It is said that men shall answer themselves when they are in the wrong.

Mr. COCHRANE: That will come in at another time.

Mr. GRAHAM: In putting in steel bridges Mr. Gutelius answers himself. Could the minister give any general idea of where the bridges are to be put in.

Mr. COCHRANE: The following is a list of the bridges which it is proposed to put in: South Cocaigne bridge; North Coal Branch bridge; Richibucto River bridge; Kouchibouguac bridge; Barnaby river, third crossing and second crossing bridges; Bartibogue bridge; Red Pine River bridge; Nepisiguit bridge; Tête à Gauche bridge; Beresford bridge; Elm Tree bridge; Belledune bridge; Dickey's bridge; Benjamin River bridge; Moffatt's bridge; Otter Brook bridge; Indian Brook bridge; Metis bridge; bridge three-quarters of a mile west of St. Anaclet; Rimouski River bridge; bridge half a mile west of Trois Pistoles; Trois Pistoles bridge.

Mr. MARCIL: Did I understand the minister to say the Restigouche river?

Mr. COCHRANE: No, the Richibucto river.

Mr. MARCIL: Do any subways come in under this vote?

Mr. COCHRANE: There is a different vote for those.

Mr. KYTE: I understand that a slow-up order was issued to conductors on all trains of the Intercolonial railway in the month of October requiring them to slow up on all bridges and culverts between Sydney and Point Tupper, numbering 39 in all. As a consequence it is impossible for express trains to make time. It does seem rather extraordinary that all the bridges on that section of the Intercolonial railway should have gone bad at the same time. I understood that Mr. Gutelius had been devoting some attention to the improvement of the Intercolonial railway and it seems rather extraordinary that all the trains should have to slow up while crossing the bridges and culverts.

Mr. COCHRANE: It was not so much that the bridges had gone bad, but the rolling stock was so much heavier than the bridges had originally been put in for.

Mr. KYTE: Was there anything done during the last year to strengthen any of these structures?

Mr. COCHRANE: Some of them have been strengthened this year.

Mr. KYTE: Has the minister any information as to why W. r. Mills, of Port Hawkesbury, inspector of bridges, has been dismissed? Mr. Mills was for many years foreman-carpenter on the section of the Intercolonial railway between New Glasgow and Sydney. He was afterwards appointed trackmaster and then promoted to be inspector of bridges.

Mr. COCHRANE: Over the whole line?

Mr. KYTE: Between New Glasgow and Sydney. I am informed that he was dismissed a week or so ago without any intimation whatever as to the reason why he was dismissed or any intimation from his over-officer that the discharge of his duties was not satisfactory. I would like to know why he was dismissed.

Mr. COCHRANE: I will get the information.

Chatham—diversion of line and branch to wharves, $2,500.

Mr. LOGGIE: I was very much interested in the remarks of the minister when he said that he was looking after the interests of the people down there. I want to ask him what he has done to implement his promise made to the House one year ago. I drew his attention to the fact that he had taken up the rails on the south side of the Miramichi river and that he had left a large number of farmers and merchants without any railway transportation whatever. In his reply he stated that he had decided to operate the railway on the north side of the river only. I drew his attention to the fact that a large river ran between the residents on the south side of the river and those on the north side and that, having taken up the rails, I said that he should provide for another approach to the line that he was operating on the north side of the river. The minister promised me that he would take the matter up with the local government and see if a bridge could not be constructed across the river at Chelmsford that would provide an approach to the present line on the north side of the river.

Mr. COCHRANE: I do not think it was I who promised that; I was not here.

Mr. LOGGIE: Well then it must have been the year before. It certainly was a minister, although possibly I may be wrong in saying it was the Minister of Railways. It may have been my hon. friend the Minister of Customs (Mr. Reid). At any rate a promise was made when I brought the matter to the attention of the Government. I understood that matters were so far advanced that negotiations were entered into with the local government with a view to having this bridge constructed so that there might be an approach to the railway that is running on the north side of the river. Just think of the minister taking up the rails where some 200 people reside, and who have enjoyed railway facilities for 40 years, and saying: We will not operate the road any more on this side of the river, but we will operate it on the north side of the river, and while doing this not providing any approach to the railway that he is operating! While it is true that the local government have to do with the King's highway in the ordinary sense, it is also true that the Government railway provides approaches from the King's highway to the station where it is necessary for the public to get from the King's highway to the railway.

Is it not equally fair that he should under the present circumstances provide an approach from the opposite side of the river

to that on which the railway is now being operated? That is a reasonable request. Generally speaking, I understood it is the duty of the local Government to provide the King's highway, but this is a matter that demands the special attention of the minister, and it ought not to be overlooked. While the minister says: I am going down there to look after the interests of the people; is he doing it in that case? I really feel that the minister is not doing his full duty.

Mr. COCHRANE: All right.

Mr. LOGGIE: The Government of the day is not doing its full duty to the people living along that side of the river. Those people had railway facilities for forty years, and the Government undertook to take up the rails with the idea that it could economize and use the railway on one side of the river only; but the Government made no provision so that the residents on the other side of the river could not reach the railway station. Moreover, there are a number of days in the fall and spring when it is absolutely impossible to get across the river under any circumstances. It is true there is a small boat ferry, and in the winter season there is the ice; but in the spring and fall there is no way of getting across. I do not know with what authority, but the rumour is going around that the roadbed that has been abandoned is to be transferred to the local authorities. When the minister replies, will he tell me if there is any truth in that rumour?

Mr. COCHRANE: I never heard of application being made.

Mr. LOGGIE: I suppose the municipal authorities or the local Government would make the application. If the roadbed were transferred, it would be done with the idea that it would be used for a King's highway along that side of the river. I want to protest in the name of the people on that side of the river against any such proposition. The people living in Chelmsford hope that some day the rails will again be laid on that roadbed. They are so grieved over this abandonment of 26 miles of railway that they hope that some day better things will come to them. We are speaking about building new branch railways. Provision is made for the Government to build new lines that do not exceed 25 miles in length without even coming to Parliament first, but letting the matter come before Parliament afterwards. Here the Government have taken up 26 miles of rails the use of which the public have enjoyed for so many years. I want to impress especially upon the mind of the minister that it is his imperative duty at once to arrange for an approach to the railway from the side of the river from which he took up the rails. The people who live there at the present time have no reasonable railway transportation. They have no reasonable means of getting across the river except over the ice. There is no steam ferry; there is only a boat ferry, and in order to get across the river with a team, they would have to travel about 20 miles.

Many years ago it was my privilege to support a resolution in this House in regard to transportation of fish by express. On that occasion I suggested to the minister in charge that I thought the most reasonable and feasible way would be to reduce the rates of express from the seaboard to the interior points. I am glad to say that the Government acted on that suggestion and put into force a decreased rate by paying one-third of the cost. That has been a great boon to the fishing industry and has enabled the fishermen to distribute their product in the interior of the country to some advantage. This Government should extend that policy to other towns such as Chatham and Fredericton. That, however, is not the point which I wanted to raise at this moment. I wanted to draw the attention of the minister to the fact that he can very much improve the transportation of fish. In the summer season the cars are warm and the ice melts very quickly and the fish does not arrive at its destination in as good condition as it might. Hence the whole fishing industry, as well as the transportation companies, is hurt. In the winter season, when one would suppose it would be cold, frozen fish sent by express does not arrive in as good a condition as if it went by freight. I know of customers in Toronto who, when we ask if we shall send fish by express say: no; if it goes in a heated car, it will arrive in bad order; let it come by freight, although it may take ten days to reach its destination. It is in the interest of the railway as well as in the interest of the general public of Canada that an improvement should be made, because the fish will be more palatable on its arrival, and better fish will be put on the market. When the minister is having new express cars constructed he should divide them into two sections, having

a refrigerator in one section which can be simply installed with pipes and ice and salt, and it would cost very little. That refrigerator or cool room could be used in the winter to keep fish in fine condition. It could be used and kept cool in the summer, so that the ice would be preserved and the fish arrive at its destination in good order. If the minister will bear that in mind, when cars are being constructed again, it will help the express companies as well as the industries that are affected in the way I say. The city of Montreal and Toronto are large consuming centres, and it is important in the interest of those cities that the fish should arrive at its destination in good condition.

I want to remind the minister that there is a memorial in the office of the minister for the construction of a short line of railway from Newcastle down towards Tracadie. That section of my county is a rich one. The railway at present receives a very large benefit from the shipments of fish from Loggieville, and I am sure that if the railway were extended down on the other side of the river, it would be in the interest not only of that locality, but of the main line of the railway.

There is another matter I would like the minister to bear in mind when he is taking over the branch lines. There is a line between Moncton and Buctouche. A charter has been taken out to continue this line to Loggieville. I suppose the charter is got for the sake of what they can get out of it, for I hardly believe that any company will construct the road. But I hope the Government will some day construct that road in connection with the line between Moncton and Buctouche.

Mr. COCHRANE: What kind of country does it go through?

Mr. LOGGIE: Buctouche is quite a settlement.

Mr. COCHRANE: I mean the portions to be constructed.

Mr. LOGGIE: A part would be wooded and the rest largely farming country. Would the minister please tell me what is to be done with the money under an item I see here for the diversion of the line between Nelson and Derby Junction?

Mr. COCHRANE: That is to pay some unsettled claims and also to complete a portion of the telegraph line.

Mr. LOGGIE: The hon. minister told me that he contemplated moving Chatham Junction to the other side of the river. Now the junction is gone, for the present at any rate. But I hope better things are in store for us in the near future. I do not wish to take up time by telling the minister that the service is most unsatisfactory. These people not only have no facilities for getting across the river to take the train, but when they get the train, the service into Chatham is very, very unsatisfactory. But I have no doubt the management are doing their very best to make it right, and I do not think it would be fair for me, at this time, to adversely criticise heir work. But there are about 10,000 people on the south of the Miramichi river, between Derby Junction and the terminus at Loggieville, and they certainly have great lack of railway facilities. Let me give the minister an illustration. I went home a few weeks ago, I left Montreal on Saturday morning and reached Newcastle about five o'clock on Sunday morning. As the minister knows there is no train into Chatham, so I had my horse meet me.

Mr. COCHRANE: They do not allow us to run trains on Sunday.

Mr. LOGGIE: I left Newcastle at five, and I was home at six. If I had gone down by rail I could not have got home until seven.

Mr. COCHRANE: Then, surely the hon. gentleman does not want more railways.

Mr. LOGGIE: Not railways run on those lines. However, I am not finding fault at the present moment, because I know the management are doing their best.

Mr. GRAHAM: I think the members of the various committees will expect to go on with Militia Estimates to-night, and I would ask my hon. friend (Mr. Cochrane) to look up the information I have asked for before his Estimates are taken up again. There is another matter. I have an idea that he has the same trouble with the Militia Department that I had to get them to give the business to him instead of to other roads. Could he find out how much the Intercolonial railway has received from the Militia Department for the movement of troops and so on?

Mr. COCHRANE: I will have that for the next time my Estimates are taken up.

Mr. GRAHAM: Thank you. I used to have my difficulties in getting the Militia Department to give us traffic.

At six o'clock, the committee took recess.

The committee resumed at eight o'clock.

Department of Militia and Defence—Cadet services, $100,000.

Mr. PUGSLEY: The hon. minister said that he would bring down the correspondence regarding the order for 10,000,000 rounds of ammunition, and also information respecting the censors at St. John.

Major General HUGHES: I will send over to my hon. friend the correspondence respecting the purchase of ammunition. I have the following memorandum respecting the censorship staff at St. John, N.B.:

The censorship staff at Partridge island, St. John, N.B., consists of: Charles Masters, St. John, censor; George Shaw, St. John, assistant censor; J. Herbert Crockett, St. John, assistant censor. The censor is paid $9 per diem and the assistant censors $7 per diem.

Partridge island is a wireless station, employed only for communication with shipping. At the opening of the war it was closed, but on January 4, 1915, the chief of staff of the Naval Service Department wrote to the military Secretary of the Interdepartmental Committee, stating that it was being reopened to traffic, and asking that a censorship staff be appointed.

Delay was caused by the gentleman first offered the post of censor accepting and then declining. Mr. Masters accepted the post on January 12, 1915. Up to March 25 there is due to him $657 and to his assistants, $1,022; total, $1,679.

Mr. Masters reports that he and his assistants are regularly at work in relays of eight hours as far as possible, the communication between the station and the mainland occasionally being irregular. There is always one member of the staff present at the station.

The number of messages handled to March 13 was 537. The volume of traffic is not great but the fact that the station is open for the transmission of wireless messages renders vigilance necessary, and it is essential to have the censor or an assistant censor present all the time to ensure the absence of improper communications. The regulations for censorship state: "the minimum number sufficient to carry on the work of censorship at any station which is open day and night will be three." The station thus has the smallest number of censorship staff compatible with observance of the regulations.

(Sgd.) C. F. Hamilton,
Lt.-Colonel,
Deputy Chief Censor.

Mr. RHODES: Last evening the hon. member for Richmond (Mr. Kyte) brought up for the second time this session the question of the alleged ill-treatment of the 17th Battalion, comprised largely of Nova Scotians, while at Valcartier camp and Salisbury Plains. He was careful to assert that he did not bring the matter up for the purpose of casting any reflection upon the Minister of Militia. His alleged purpose—I quote from his remarks as they appear on page 1494 of Hansard—was:

[Mr. Graham.]

I think, however, that it is only just to the persons in Nova Scotia who are interested in the 17th Battalion, made up, as it is, of Nova Scotians, that these matters should be brought to the attention of the committee and of the hon. Minister of Militia and Defence.

I cannot possibly understand how the hon. member for Richmond could feel that he was serving any purpose likely to benefit the people of Nova Scotia by bringing such a matter to the attention of the committee at this time. It must be borne in mind, without respect to the merits of the allegations that were made by him and by the hon. member for Guysborough, that no satisfactory inquiry could be made in respect of this matter until after the return of the men from the front. I think it should be borne in mind also that while this great war is in progress the discussion of matters of moment to perhaps a few men, but of comparative insignificance as affecting the welfare of the Empire, might very well remain in abeyance. However, since the hon. member for Richmond and the hon. member for Guysborough sought to make an ex parte statement, as it were, of the alleged ill-treatment of the Nova Scotians at Valcartier and Salisbury Plain, I think it only fair that a statement in reply should be submitted. For that purpose I have had placed in my hands some affidavits made by men whose names are alleged to have been signed to the memorandum submitted by the hon. member for Guysborough, and bearing particularly on the question of the alleged ill-treatment referred to. I may add that I have had nothing to do with the preparation of these declarations. If I had been preparing them myself, I should not have included some of the statements which are contained in them, but I cannot read portions of them; I must read them in their entirety. The first one is from Robert Aldridge, and is as follows:

I, Robert Aldridge, of Toronto, in the province of Ontario, fitter, declare as follows:

1. I know Spas Stackoff and knew him since Christmas. I was suffering from asthma in the hospital and Stackoff was in the same ward with me for a month. Stackoff has told me regarding signing the document regarding the Nova Scotia Battalion. He said he did not know what he had signed and said he thought it might be regarding the helping of the sick. I told him it was not that but I had learned it was something done for the purpose of harming the Government. I have never voted in Canada and had no political sympathy in Canada, but as I considered all the men had been treated most fairly by the Canadian and Imperial Governments, I felt that it was doing a grave injustice to circulate such a false complaint. I saw the cigar box—

The significance of that statement will appear as I read subsequent affidavits.

—but would not sign the statement which evidently had been prepared without any reference to what the men would testify if they were asked. I never heard any complaints regarding the Nova Scotia Regiment and I was in the same surroundings as Stackoff; and I make this solemn declaration conscientiously believing it to be true and that it is of the same force and effect as if made under oath and by virtue of "the Canada Evidence Act."

(Sgd.) R. Aldridge.

Declared before me this 18th day of March, A.D., 1915.

(Sgd.) R. H. Murray,

A Commissioner for taking affidavits to be used in the Courts of Nova Scotia.

Here is the affidavit of Stackoff himself:

I, Spas Stackoff, formerly of the 9th Battalion, 1st contingent, declare as follows:

1. I enlisted in Edmonton in the 9th Battalion and went to England to Salisbury Plain. In November I was suffering from rheumatism and went to the hospital. I never saw the 17th Battalion from Nova Scotia. I never came in contact with them and never heard anything about them in any way.

2. The day before yesterday, Tuesday the 16th inst., I was at the barracks on Sackville street, and I saw a man with a paper and a box of cigars. I asked him for a cigar and he said "if you will put your name down on the paper I will give you a cigar." I asked him what the paper was, but he would not tell me. I thought it might be to help the sick men and I signed it and he gave me the cigar. I cannot read English but can speak it fairly well. I am a Bulgarian. I have been invalided home but I have nothing whatsoever to complain about in my treatment in camp or in hospital. I never heard any men complain of conditions, as I believe we all had to help out and the authorities were doing the best they could for us. I make this declaration voluntarily and to free my conscience of making what I learned afterwards to be a complaint concerning ill-treatment of the soldiers,—a thing which I had no idea of doing and which was absolutely false in regard to the neglect and ill-treatment. No oath or declaration was taken from me on making the declaration referred to on the 16th instant.

And I make this declaration conscientiously believing it to be true and that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act, the said declaration having first been read over and explained to me, and I understanding the same, in the presence of myself, Cprl. R. Aldridge and the commissioner herein.

(Sgd.) Spas Stackoff.

Declared before me this 18th day of March, A.D., 1915.

(Sgd.) R H. Murray,

A Commissioner for taking affidavits to be used in the province of Nova Scotia.

Witness,

(Sgd.) R. Aldridge.

The next is the affidavit of Wm. Thomas Oldridge, which reads:

I, William Thomas Oldridge, at present in the city of Halifax, do solemnly declare and say as follows:

1. That my home address is London, Ontario.

2. I enlisted in the first contingent at London, Ontario, for overseas service.

3. I joined with the 7th Fusiliers and was transferred into the 10th Battalion and went across to England with the first contingent.

4. I was at Salisbury Plain continually from the time we sailed from Canada until after Christmas.

5. I have been invalided home because of illness.

6. The lines of the 17th Battalion, Nova Scotia, and the 10th Battalion joined one another, and the men of the two battalions mingled together and were intimately acquainted. This was at Bulford Sling Plantation and Pond Farm.

7. I heard read in Halifax yesterday to several of the men who were in the first contingent and who were invalided home with me, typewritten or printed statements which I understood had come from the office of the Morning Chronicle of this city. These statements were read to the men at the South Barracks. There would be about twenty or so men in the room. Of these only three or four were members of the Nova Scotia 17th Regiment, and these had only been transferred to the 17th Battalion two or three weeks before they had come to Halifax.

8. The persons who had the statements, however, solicited every man in the room to sign these statements notwithstanding that the great majority of them were not members of the 17th and knew nothing of the statements. On this occasion two or three men signed.

9. The men who had these papers for signature were supplied with a large quantity of cigars which they were distributing freely among the returning soldiers whom they were soliciting to sign the papers.

These circumstances just now related happened on Tuesday, the 16th. While they were passing the cigars around and getting the signatures the men handling the business announced that they had further supplies down at the office, which we understood to mean the Chronicle office.

10. These men did not receive their pay until this morning, Thursday, the 18th inst., and yesterday afternoon, Wednesday, the 17th inst., a large number of them appeared to be supplied with money and were in an intoxicated condition. I did not see any of the men receive the money but from the circumstances and conditions and statements of the men I am satisfied that some person, on Tuesday and Wednesday were supplying these men with money and liquor. They had no part of their pay at that time.

11. Most of the statements contained in these written papers which the men were asked to sign were not true. There were some inconveniences that all the battalions had to put up with and which we all expected to put up with, but the 17th Battalion had no more of them than any other. In fact they had more conveniences than we of the 10th Battalion.

12. During the months that we were there together mixing one battalion with the other we never heard of any complaints from the men of the 17th Battalion that they were being badly or unfairly treated or abused.

13. One of the men who signed the paper yesterday was a Bulgarian by the name of Staikoff, of Edmonton, belonging to the 9th Regiment, and who could not read or write English. He wrote his name to the statement. He told me that he never saw the 17th Battalion. When the men were distributing the cigars I heard this man asking for one and the person with the paper gave him a cigar and said to him: Now sign this, we want your name for the paper. Yesterday afternoon Staikoff came to me and seemed to be in trouble about the paper he had signed. He said that he did not know what it was but he thought it was a military paper connected with his regiment, and he since learned that it was simply against the military. He is in the same boarding-house with me and I know that he cannot read English and can only speak a few English words and it is hard to make him understand English. Staikoff did not hear all of the paper read, he came into the room while the person was reading it to the crowd in English. When Staikoff signed it was not read over to him. I am quite sure he did not understand it.

And I make this solemn declaration believing the same to be true and knowing it is of the same force and effect as if made under oath and by virtue of the provisions of the Canada Evidence Act.

William Thomas Oldridge.

Declared before me in the city of Halifax this 18th day of March, A.D. 1915.

T. J. Meagher,
Notary public in and for the province of Nova Scotia.

I have also this affidavit by Albert Harris:

I, Albert Harris, of Toronto, mechanic, declare as follows:

I was a private in the 3rd Battalion and I verily believe that the Nova Scotia Battalion, with which I came in contact from time to time, was treated as well, if not better than the battalion with which I was connected. When I left Bustard Camp, the 1st Brigade was left under canvas and the Nova Scotia Regiment was in barracks. I do not believe that the Nova Scotia Regiment was neglected and I refused to sign the paper which was in the barracks in Halifax on the 16th inst. The paper was in the room with a box of cigars. I went up and took a cigar but refused to sign as I learned what the paper contained and I did not believe it.

And I make this solemn declaration conscientiously believing it to be true and of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

(Sgd.) Albert Harris.

Declared before me this 18th day of March, A.D. 1915.

(Sgd.) R. H. Murray
A commissioner of the Supreme Court in and for Halifax county, and for taking affidavits to be used in the province of Nova Scotia.

I have also four affidavits declared by men whose names are alleged to be attached to the memorandum read by the hon. member for Guysborough.

I, Walter Stearn, of Peterborough, Ontario, declare as follows:

[Mr. Rhodes.]

1. I have been invalided home on account of deafness.

2. I remember the 16th of March when the box of cigars was in the room at the barracks. I saw a man giving them out and when he was giving them out he handed the box to me and I took one and then he came and said if I would sign the paper. I never heard it read and I didn't read it myself, nor did I know what it was. I knew the other fellows were signing and I only signed it as they had done so without knowing what it was.

I never came in contact with the Nova Scotia Regiment except for two weeks at Salisbury Plain. We had plenty of coal, food and shelter and I had nothing to complain of. If there were any inconveniences they were small and to be expected when the war had broken out so suddenly. All the officers treated us well and I heard no complaints as the men realized the crisis they were in in regard to the war and knew they would have to rough it to a certain extent and I verily believe that everything possible was done to make things comfortable for us. There was no difference in the treatment of the Nova Scotia Regiment from the other regiments and we were all treated well. I verily believe that the other men who signed the said document did not know what they were signing as nothing was read over in my presence or the presence of the other men signing the document.

And I make this solemn declaration conscientiously believing it to be true and as if made under oath and of the same force and effect as if made under the Canada Evidence Act.

(Sgd.) Walter H. Stearn.

Declared before me this 18th day of March, A.D. 1915.

(Sgd.) R. H .Murray,
A commissioner of the Supreme Court for taking affidavits to be used in the province of Nova Scotia.

I, David Walters, formerly of the 13th Battalion, now invalided home, declare as follows:

1. I know nothing whatever regarding the treatment of the Nova Scotia Regiment in England.

2. I remember the day there was a statement signed in Halifax. I came in the room, saw a box of cigars and said to the man representing something or other, "Where did you get them"?

He said, "They are giving them out." I said, "Well, give one to me." He said, "Sign your name," and I signed it and got a cigar, and then I went away. They treated me all right in England. I never made an oath or took a declaration on the 16th inst.

And I make this declaration conscientiously believing it to be true and that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

(Sgd.) D. Walters.

Declared before me this 18th day of March, A.D. 1915.

(Sgd.) R. H. Murray,
A commissioner of the Supreme Court in and for the province of Nova Scotia courts

I, the undersigned, declare as follows:

1. My attention was brought to a declaration purporting to be signed by me and published in a Halifax paper purporting to state that the Nova Scotia Battalion or Regiment was neglected and ill-treated in different ways. A gentleman was in the barrack room on the

16th of March with a box of cigars, and he had a paper which he asked the men to sign and get a cigar. We didn't know anything about the Nova Scotia Regiment or anything of the contents of the paper, which was the only paper we signed in barracks while we were there. I believe that the contents of the paper were purposely withheld from us, and it was simply desired for us to sign the paper for some reason unknown to us. We never swore to an oath or took any declaration while we were in Halifax and only put our names to the paper with the idea of getting a cigar which was on the table. I have no complaint to make concerning our treatment. If there were any inconveniences in England we were ready to put up with them, recognizing our duty and the impossibility of making things perfect under such circumstances.

And I make this solemn declaration conscientiously believing it to be true and to be of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

(Sgd.) H. T. Clarson.

I, H. Dobson, of Montreal, automobile foreman, declare as follows:

I was a private of the 5th Royal Highlanders, 13th Battalion, and say as far as my experience went the care of the barracks or camp of the Nova Scotia contingent was equally as good as any other contingent. They prepared all the camps as well as could be expected. Some of the young fellows went over thinking they were on a picnic, and did not get picnic conditions but active service conditions. The Nova Scotia Regiment was split up for what reason I do not know. The majority of them were young soldiers and some had not been in active service before, indeed the majority of them were new to the service. I had been twelve years under the colours in the Worcestershire Regiment and realized the fact that the mobilizing was sudden and that conditions could not be ideal under such circumstances. I read the document presented to me on the 16th of March, but I saw a great many sign who didn't read it. I have been in active service.

And I make this solemn declaration conscientiously believing the same to be true and of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

(Sgd.) H. Dobson.

I wish to add only a word, and that is that if the hon. member for Guysborough (Mr. Sinclair) and the hon. member for Richmond (Mr. Kyte) were seized with a desire to bring this matter to the attention of the House because they had a feeling that they were serving a useful purpose by way of allaying the fears of some people in the province of Nova Scotia, it seems to me that their action in that respect will have the diametrically opposite effect; because the reading of letters conveying complaints as to the treatment of Nova Scotians could not but arouse suspicions on the part of those who were left behind by the soldiers, that perhaps their boys at the front were not being well treated. I sincerely hope that we shall go about this matter calmly and quietly, and that the subject may remain for such thorough investigation as the circumstances warrant until after the war is over and we can approach the matter in a calm and judicial manner.

Mr. MACDONALD: In the absence of the hon. member for Guysborough (Mr. Sinclair) I should like to ask my hon. friend from Cumberland (Mr. Rhodes) whether he gave my hon. friend any intimation that he was going to bring this matter up?

Mr. RHODES: I did not because I did not see him. These papers have been in my possession only about two hours.

Mr. MACDONALD: I think it is to be regretted that my hon. friend from Cumberland, before bringing to the attention of the House this matter which I thought was thoroughly threshed out last night, did not intimate to the hon. member for Guysborough that he intended to do so. I see by Hansard that the hon. member for Guysborough read last night a paper purporting to be signed by a number of men to the following effect:

We, the undersigned officers, non-commissioned officers and men of the 17th Nova Scotia Battalion, having read the article published in the Morning Chronicle of February 25, 1915, signed by H. C. Crowell, do hereby certify it to be a true statement of the facts concerning the treatment of the said battalion, so far as our knowledge goes, and we have a personal knowledge of most of the facts therein stated:

I never knew that that statement had been made until the hon. member for Guysborough read it last night, but as my hon. friend has again brought this matter up I think that, in the absence of the hon. member for Guysborough it must necessarily involve some statement from him in regard to it. At this juncture I merely wish to point out that the basis of all this discussion in the Morning Chronicle and in this House on these two occasions was the statement made by Col. Struan G. Robertson in the first instance, and that anything that may have been attributed to these non-commissioned officers and men in Halifax as to what they did or did not say is not half so strong as what was said by Col. Struan Robertson not only in letters to his friends, but in the information he gave to the correspondent of the Halifax Chronicle who happened to be on the other side. So that the gentleman with whom the issue rests, so far as any difficulty of good taste is concerned, either in this House or out

of it is Col. Struan G. Robertson. I do not propose to discuss the matter any further except to express regret that the incident has again come up in the House and to point out to the hon. member for Cumberland, who I am sure will appreciate it, that in justice to the hon. member for Guysborough who happens to be absent, we must naturally expect to hear from him again.

Sir ROBERT BORDEN: I should like to say that the hon. member for Richmond (Mr. Kyte) introduced the subject by reading a letter addressed to myself, and neither the Minister of Militia, who is concerned in the statement, nor I had the slightest notice that he proposed to take that course, so I would not think the hon. gentlemen has anything to complain about. It is only by the merest accident that I happened to be in the House at the time when these statements were read. I have alluded to certain letters of which I had some recollection and I think it is only just that I should give them to the House, and I will give them in the order of their dates:

Dear Sir Robert:

The Minister of Militia showed me in London recently a letter purporting to be from myself and Major Struan Robertson. The letter was written as a protest on the part of Nova Scotia and contained strictures against the character and qualifications of the Minister of Militia. At the time that the Nova Scotians were striving to gain the authorization to form themselves into a regiment, a misunderstanding arose between ourselves and the minister as to the number of men we claimed to have brought into camp at Valcartier. Major Robertson asked me if I would sign a paper addressed to the Premier aiming to offset any mistaken representation that might have been made by the minister, and at the same time to present clearly the arguments as to why we should have a regiment from Nova Scotia. I was informed that all the other officers and non-commissioned officers were signing, and I readily affixed my name without reading, taking it for granted that the letter was as represented.

When Major General Hughes showed me a copy I was astounded as I had never sanctioned in any way such complaints and such strictures as were made against the Minister of Militia. The letter was not signed by other officers and I wish to place myself on record in repudiation of this letter, and I absolutely deny any responsibility for the accusations contained therein.

I am, very truly yours,
(Sgd.) C. A. Andrews.

West Down South Camp,
Salisbury, November 4, 1914.

Mr. MACDONALD: That is Major Andrews?

Sir ROBERT BORDEN: Colonel Andrews, I think. This is the next letter:

[Mr. Macdonald.]

Pond Farm Camp,
Salisbury Plain, Nov. 9, 1914.

Dear Sir Robert:

I have just learned from Lieut.-Colonel Andrews that a copy of a statement signed by us has been received by you. It was drawn up previous to your visit to Valcartier when we were all smarting under the unmerited treatment we had received. Your visit rendered the completion of the paper unnecessary and I put the original and two copies aside to destroy them. I find that I have now only the original and one copy left and am utterly at a loss to know how or by whom the other copy was forwarded to you. I regret exceedingly that you should have been caused the annoyance of receiving the statement after all occasion for it had passed.

With regard to the rifle I brought this matter to the attention of the Adjutant General Colonel Williams who advised me to make a report in writing to Colonel Helmer. This I did. Colonel Helmer went into the matter carefully with me and assured me that the defects had been remedied by calling in the rifles while at Valcartier and adjusting the springs, while the sights were being improved so that they could no longer come apart in handling. My duty in the matter was thus discharged.

I have the honour to be, sir,
Your obedient servant,
(Sgd.) Struan G. Robertson.

I am not absolutely sure whether this letter refers to the communication to me which has been read in the House. On reference to my files I do not seem to have any record of my having received that communication; at least my secretary informs me that he cannot find any trace of it although in replying to Colonel Robertson I seem to take it for granted that I had received it.

Mr. MACDONALD: He seemed to take it for granted too.

Sir ROBERT BORDEN (reading):

Ottawa, Ont. November 20, 1914.

Dear Colonel Andrews:

I have your letter of the 4th instant and note the information therein contained.

We are glad to know that the Canadian expeditionary force made so fine an appearance and gave so favourable an impression when they were reviewed by His Majesty the King. I understand that Lord Kitchener spoke most warmly in commendation.

Yours faithfully,
(Sgd.) R. L. Borden.

Colonel C. A. Andrews,
West Down South Camp,
Salisbury Plain, England.

Ottawa, Ont., November 26, 1914.

My dear Colonel Robertson:

Your letter of the 9th instant reached me in due course. No copy of your communication was furnished by me to General Hughes, but from some source a copy has evidently reached

him as he has alluded to it in correspondence and in conversation.

Believe me, yours faithfully,
(Sgd.) R. L. Borden.

Lt.-Col. G. Struan Robertson,
Pond Farm Camp,
Salisbury Plain, England.

Then there is a letter from Surgeon-General Guy Carleton Jones:

Office of Director of Medical Services,
34 Victoria street, London, S.W.,
February 27, 1915.

The Hon. Sir George Perley,
High Commissioner for Canada,
17 Victoria street, S.W.

My dear Sir George:

Mr. Crowell, representing the Halifax Chronicle, came to see me on or about the 10th instant to ask some questions concerning the sanitary conditions of the camp, and more particularly as regards the 17th Battalion.

I gave him a few facts, and he then stated that he regretted that he had not come to me before, and that he thought it would be advisable for him to cable to his paper not to publish an article which he stated he had written and forwarded.

With reference to the 17th Battalion, this unit was under exactly the same conditions as all the other units of the 4th Brigade, namely, the 9th, 10th, 11th and 12th Battalions, the 3rd Field Ambulance, the Reserve Park and some other details. They were not crowded like cattle, and they were never left without a qualified medical officer.

They have had six cases of cerebro-spinal meningitis, but beyond that their health has been very good.

Yours very truly,
(Sgd.) G. C. Jones, Surg. General,
Director of Medical Services,
Canadian Contingents.

Next there is a letter from Lord Kitchener's secretary, which reads as follows:

War Office, White Hall, S.W., 1-3-15.

Dear Sir George:

I showed the enclosed telegram to Lord Kitchener who desired me to say that, as you surmised, the allegations of the writer in the Halifax Chronicle were quite untrue. The Secretary of State did not know whether there were any means of bringing the originator of these malicious falsehoods within the reach of the law for, of course, such statements were calculated, if not strenuously denied, to have bad effects.

Yours sincerely,
(Sgd.) H. J. Creedy.

The telegram alluded to in this letter is that which I have already read in the House. It was a telegram despatched by me to Sir George Perley, setting forth in substantial detail the allegations contained in the newspaper article alluded to. There is also a letter from General Alderson a portion of which has already been given to the House, and which is as follows:

France, March 7, 1915.

Dear Sir George:

I have your letter in which you send a copy of a cable from the Prime Minister regarding the 17th Battalion.

Were it not serious in that it gives the people of Nova Scotia a totally wrong impression, the article in the Halifax Chronicle would be as childish as was the idea, that you told me of, that trenches round tents were not allowed on Salisbury Plain, because they would interfere with the hunting.

The only word of truth in the whole article is that Colonel Robertson has been replaced.

The fact that these units knew that they were not coming with the division naturally dampened every one's spirits, and I have no doubt some of the men, in writing home, would overdraw the picture of the inevitable difficulties and discomforts.

All the nonsense about being used as scavengers, etc, is pure invention.

Yours sincerely,
(Sgd.) E. A. H. Alderson.

Mr. RHODES: Just one word which I feel it due to myself to say in response to the statement of the hon. member for Pictou (Mr. Macdonald). I think I realize quite fully that courtesy and consideration which ought to be extended by one member to another in this House on whichever side he may be, and therefore I would be the last person in the world who would wish to offer discourtesy to the hon. member for Guysborough (Mr. Sinclair) or to any other hon. member. But I did not feel that this was a matter affecting the hon. member for Guysborough. It is a matter of public interest that affects everybody, that affects the people of Nova Scotia in particular, and I did not feel that it was incumbent upon me to advise the hon. member for Guysborough that I proposed to read these affidavits in the House any more than it was incumbent upon him to notify me that he proposed to make a statement last night. He did not notify me, he did not notify the Prime Minister, and he did not notify the Government or any member of it.

Mr. MACDONALD: My hon. friend (Mr. Rhodes), I know, is very courteous, and I have always recognized that. Unfortunately, at the time my hon. friend spoke, my hon. friend from Guysborough was not here, and I thought that the tone of his utterances and the reading of the affidavit would be to a certain extent matters of interest to my hon. friend because these affidavits related to a statement which he had read in the House last night.

Mr. RHODES: Not to the statement of the hon. member for Guysborough.

Mr. MACDONALD: No, but the statement which he had read to the House. This is not a question reflecting upon the people of Nova Scotia. Colonel Struan Robertson undertook to make certain charges to the Prime Minister, and he wrote to his political friends in the House acquainting them with these charges. He communicated these facts to a correspondent of a newspaper in the city of Halifax with the desire of having them made public. That is why they were made public. That is why we had the discussion here, and it is just as well to understand that if there have been any complaints it is no use blaming newspapers or anybody else. Colonel Robertson was the gentleman who inaugurated these complaints and who has persisted in reiterating them.

Mr. SINCLAIR: I regret very much that I did not hear the hon. member for Cumberland (Mr. Rhodes) when he spoke, but I understood that he produced some statements from parties who had signed the memorandum which I read to the House last night, qualifying in some way the memorandum which they had signed. I do not know these gentlemen. I am not acquainted with any of the gentlemen in question except Colonel Struan Robertson himself. He is the only man amongst these officers that I have ever met or known anything about. I do not want my hon. friend to think that I am in any way personally concerned or interested in the result of this inquiry. I was simply interested on account of the province of Nova Scotia which he and I have the honour to represent, and I feel especially interested in regard to the parents and friends of many of these young men who have volunteered for service at the front. A few days ago I visited Nova Scotia and I was surrounded by some of these people. They were interested in the young men who had gone with the 17th battalion and they were very naturally anxious as to the treatment of the boys on the other side in view of the statements that had appeared in the public press. I thought it my duty to say a few words last night to ascertain whether or not the treatment that was supposed to have been meted out by the Minister of Militia himself to these officers and men at Valcartier was such as it had been represented to be. I do not pretend to discuss what has taken place on the other side of the Atlantic. The Prime Minister in his reply deprecated the fact that I should have thought of stirring up distrust between the people of Canada and the officers in command of the forces on the other side. I did nothing of the kind. My right hon. friend had no right to make any such statement. Any hon. gentleman who will read my remarks will see that I was very careful not to deal with anything that happened at Salisbury. I directed my remarks altogether to Valcartier and to the statements in regard to the minister himself. These statements I do not need to reiterate to my hon. friend from Cumberland because they are on record and I would like to know if he is satisfied. Is he absolutely satisfied that the Nova Scotia battalion got that fair-play and consideration that they ought to have received at Valcartier?

Mr. RHODES: I wish to say that in my opinion if the treatment accorded to the Nova Scotia men was as bad as it is alleged to be, or if it were a hundred times worse, it would still be most unfortunate that the matter should be ventilated in this House at this time when we have not the men here and when a proper inquiry cannot be had. While that statement involves the officer commanding, General Alderson, and others, I deprecate the circumstance that the matter should even be mentioned in this House, and I sincerely hope that the whole thing may remain in abeyance till such time as an investigation can be had after the war is over.

Mr. SINCLAIR: My hon. friend has his minister here, and he is supporting him.

Mr. RHODES: The minister has absolutely nothing to do with the soldiers once they cross the water.

Mr. SINCLAIR: The minister himself has not said so. The minister was discussing the matter in regard to the officers of the 17th Battalion. I referred to nothing else. In my remarks I was careful not to refer to General Alderson or to any one else on the other side of the Atlantic. I wanted to elicit from the minister whether he had really treated the officers of the 17th Battalion in an unfair manner at Valcartier. My hon. friend the member for Cumberland (Mr. Rhodes) ought to be as much interested in this question as I am. He ought to feel it his duty to stand up for the Nova Scotia Battalion in this House or anywhere else. I do not wish my hon. friend to insinuate that I was the first man to commence this discussion in this House. My right hon. friend the Prime Minister spoke of it on several occasions before I ventured

to say anything. It was not a new question in this House last night. It had been discussed in the newspapers throughout the country. It had been discussed by hon. members previous to last night. The remarks made by myself and by my hon. friend the member for Richmond (Mr. Kyte) last night were only for the purpose of completing the discussion commenced in this House on a former occasion.

Mr. RHODES: My hon. friend was not here when I made my remarks. When he reads them to-morrow morning, he will not take exception to a single word I said.

Mr. SINCLAIR: I am glad to hear that.

Mr. RHODES: I made no reflection upon the hon. member whatever.

Mr. SINCLAIR: Enough has been said to warrant a thorough investigation to set the matter at rest and to show the people of Nova Scotia and the relatives and friends of the men who volunteered that the latter were well treated at Valcartier. I do not wish to criticise the minister unduly, but it is due to him to institute a thorough investigation into this matter, and to lay before the House and the country the real facts, so that the relatives and friends of the young men who volunteered may feel that when they did so at the risk of their lives and of their future, they were properly treated by the military authorities of Canada.

Mr. McCURDY: I was not in the House last evening when this discussion was first precipitated. On perusing Hansard, I find that last night a copy of a letter written to me by Col. S. G. Robertson was produced and read. I am at a loss to understand how that letter came into the hands of the party who read it. Possibly the hon. member for Guysborough (Mr. Sinclair) can enlighten me on that subject.

Mr. SINCLAIR: Which letter?

Mr. McCURDY: The letter addressed to me which was read in the House last night.

Mr. SINCLAIR: I did not read any letter in the House last night. I read only a memorial from certain privates and officers corroborating the statement published in the Morning Chronicle. I know nothing about the letter except what I heard read in the House.

An hon. MEMBER: It was read by the hon. member for Richmond (Mr. Kyte).

Mr. McCURDY: I am sorry that the hon. member for Richmond (Mr. Kyte) is not here. He might be able to inform us as to how he procured the letter. The discussion seems to have been left by him at an early date and to have been taken up by my hon. friend the member for Guysborough (Mr. Sinclair). I am very sorry that this subject has become at the present moment one of public notoriety, and that my name has been introduced into the discussion through the reading of that letter, for I have up to the present refrained from participating publicly and would have continued to do so if my name had not been mentioned in this House. The present is to my mind a time for deeds, not words.

I will state first that the letter which was read last night is a copy of one which I received; but some six days prior to the receipt of that letter by me, the whole matter was precipitated for public discussion by publication in the press. The whole incident is, in my opinion, unfortunate, and in this view I think I am in line with the best public opinion in the province of Nova Scotia, as well as elsewhere.

It has been personally stated to me that the direct result has been an adverse effect upon recruiting in Nova Scotia. I was told by an officer of the 40th battalion that the day before the public discussion began some 37 recruits offered for enlistment, and that on the following day the number fell to 12. Recruiting slumped to a marked extent.

Whether or not the matter should be publicly discussed is a question upon which members may differ. I have expressed my own opinion. Whatever the reasons for publication may be, the effect is quite apparent. But I cannot see how public interest is to be served by bringing the matter up in the House at the present time.

When the articles were first made public, they were brought to the attention of the Prime Minister in the House, and assurance was given by him that he had requested that an investigation be made by the proper military authorities of Great Britain. Therefore it is difficult to understand what useful purpose could be served by having the matter brought up in the House before the finding of that court is available.

The hon. member for Guysborough (Mr. Sinclair) last night read a number of affidavits. He also stated that he was

east and that he came back yesterday. I should judge that the affidavits read by him were not voluntary on the part of the deponents nor, indeed, obtained without some expenditure of time and energy.

An hon. MEMBER: And cigars.

Mr. McCURDY: The hon. member may be perfectly satisfied that it was in the public interest to bring the matter up.

I very much doubt whether there is any sufficient foundation for the statements made of the ill-treatment of the members of the battalion.

I received in yesterday's mail a letter from one of my constituents in a district from which a number of young fellows went forward with the first contingent, which asked: "Can you advise me immediately whether or not a censorship exists between Salisbury Plain and Canada, for," he added, "if there is no censorship I cannot understand why we do not hear from our young fellows themselves about the bad treatment which, according to the newspapers, has been accorded to them at the front?"

Our desires and interests are all bound up in a successful and early termination of the war, and we should do all in our power, it seems to me, to avoid division and diversion. Is it not our duty of the moment to uphold the hands of the military authorities? In Canada the duty of conducting the war has been thrown upon the Militia Department, and in the old country, upon the War Office. If an investigation of this matter is to be undertaken by the War Office, I fail to see what useful purpose can be served by creating a public discussion of the matter until the result of the Premier's request is available.

So far as the organization of regiments is concerned, I have been and am absolutely in accord with the idea of geographical location of the different units. I have always put that idea forward. It has been adopted by the Militia Department, and one of the results is the presence in Halifax to-day of a body of troops (the 25th) which is one of the finest battalions that I have ever had the pleasure of seeing. There is also now in process of organization the 40th Battalion, which is rapidly filling up, but the recruiting of that battalion has been hampered and delayed by the publicity given to these stories.

But I will say this: Even if the conditions at Salisbury Plain were as bad as they were represented in these articles to be, I am satisfied that the gallant youths who have gone forward would be the last to wish their experiences discussed in the House or in the country in any manner which might conflict with the country's best interest in this hour of peril. The young men from Nova Scotia, and their elders too, as I understand the genius of the people of that province, do not yield place in that respect to the citizens of any other part of Canada, or any other part of the British Empire, for that matter. They seek and claim the opportunity of placing their shoulders under the burden and taking their full share in assisting to overcome the common enemy now confronting us.

And it is because it has made and will make more difficult the task of the authorities whose duty is the prosecution of the war, that I do not believe that the precipitation of this discussion in the Parliament of Canada would be approved or welcomed, even by the young fellows themselves who are most concerned. If the interests of some officers have been prejudiced, that is unfortunate, but I think that true friendship even for them would dictate silence under the circumstances and at the moment at any rate. The hon. member for Guysborough, on account of personal friendship, or close relationship, or some other reason, may desire to bring this matter forward. But I think it is not in the public interest that it should be brought forward, and I question his judgment.

I have already said that I deplore that the incident has become a matter of public agitation; and, personally, and as I view the best public interest, I would like to see it dropped and nothing further said until the result of the investigation which has been asked for by the Prime Minister is available.

Mr. POWER: On a recent visit to England I had the proud pleasure of spending a few days on Salisbury Plain. If any statements have been made that the Canadians there were dissatisfied or unhappy, I can say that those statements are not correct. They have been perfectly well treated there. They had hard times owing to the inclement weather, but no more at Salisbury Plain than elsewhere. So far as the Canadian boys in Salisbury camp are concerned, they were all happy and contented and all anxious to get to the front.

Mr. SINCLAIR: I am glad to hear the testimony of my hon. friend from Quebec (Mr. Power) in regard to Salisbury. But

we were discussing the question of Valcartier. My hon. friend from Queens and Shelburne (Mr. McCurdy) is the particular friend of Colonel Robertson. He is the man to whom the Colonel appealed. I would like to ask the hon. gentleman if he did anything in answer to Colonel Robertson's communication telling of his difficulty, and asking the hon. gentleman to assist him in his trouble. He is the man whom Colonel Robertson most depended upon to right his wrongs. I should like to know if the hon. member took any action, or did he put Colonel Robertson's letter in his pocket and do nothing? That was what was worrying me when the hon. member was giving advice to us on this side of the House to say nothing about it.

Mr. McCURDY: I have already told the hon. gentleman that with the idea of geographical location of units I am thoroughly in accord. I supported the proposal to organize a Nova Scotia battalion, and I have found no reason to change my mind. With regard to what he calls my particular friendship with Colonel Struan Robertson, I regret to say that I had not the pleasure of meeting the gentleman until after the first of August of last year. Anything that I have heard of Colonel Robertson's military qualifications is favourable, but it is a matter of hearsay. It was not for the purpose of advancing any one's personal interest, whether officer or anybody else, that I took an interest in the organization of the Nova Scotia regiments, but because I believed that the idea of grouping soldiers of one province in a battalion by themselves was sound and would result in more efficient service.

Mr. A. A. McLEAN: I desire to ask the Minister of Militia a question. Is it not a fact that all the officers and all the contingents are under the authority of the British War Office and that the Canadian authorities have nothing to do with them?

9 p.m.

Major General HUGHES: Yes.

Mr. SINCLAIR: I quite understood that my hon. friend from Queens and Shelburne was in favour of the Nova Scotia battalion, and I understood he took an active interest in the formation of the battalion at the time it was first proposed. The reason why I thought he must be in the confidence of Colonel Robertson was, that while there are eighteen members in this House from Nova Scotia, the hon. gentleman was the man selected by Colonel Robertson as the one to whom to address a letter of complaint. I inferred from this that Colonel Robertson had more confidence in the hon. gentleman than in any of the rest of us. I would like to know if he is perfectly satisfied with the treatment accorded to Colonel Robertson and his associates in connection with this matter.

Mr. McCURDY: Long before I received the letter to which the hon. gentleman refers, the whole matter had been placed before the public by the press and the Prime Minister immediately gave his statement to the House that he had asked the War Office for an investigation. That seemed to me to be a perfectly reasonable and logical course of action, and I have not heard that Col. Robertson is not satisfied with this course. I am surprised that the hon. gentleman is not himself satisfied with the assurances given and the procedure taken.

Mr. SINCLAIR: It is difficult for the War Office to investigate what took place on this side of the Atlantic, and that is the matter I am asking about. Is the hon. gentleman satisfied with the treatment of these soldiers before they went across to England? That is a question that can be answered by yes or no.

Mr. McCURDY: In his treatment of the case last night, I understood the hon. gentleman referred both to Salisbury and Valcartier, but possibly the reference to Salisbury was by the hon. member for Richmond.

Mr. DAVIDSON: May I ask the hon. member for Guysborough if it is not true that he himself is very much more closely related to Colonel Struan Robertson than—

Mr. SINCLAIR: I am not related to him at all.

Mr. DAVIDSON: I think that by marriage they are very closely connected. The hon. gentleman is a brother-in-law of Colonel Robertson, unless I am greatly mistaken.

Mr. SINCLAIR: My hon. friend is mistaken.

Mr. MACDONALD: I want to say, on behalf of the hon. member for Guysborough, that Colonel Robertson is not his brother-in-law.

Mr. SINCLAIR: I did not suppose that any one thought so.

Mr. MACDONALD: It is rather amusing to see hon. gentlemen on the other side

trying to unload Colonel Struan Robertson on the hon. member for Guysborough.

Mr. PUGSLEY: Last evening in discussing the appointment of censors, I referred to the chief censor, Lt.-Colonel Hamilton, and stated that it was rumoured that he had been engaged since his appointment in writing party pamphlets. I desire to say in justice to him that I received a letter from him in which he calls attention to the report of my remarks and assures me that the rumour is entirely without foundation. I very cheerfully accept his statement and have no doubt that injustice was done to him by my giving currency to the rumour.

Militia and Defence—customs dues, $125,000.

Mr. CARVELL: It appears from evidence given in the Public Acounts Committee that in most cases duty has been charged on goods brought into Canada to be sent across to England and France. It is a most remarkable thing that the Government should borrow money from England for the purpose of prosecuting this war and then take a portion of that money to themselves in the way of customs duties upon goods imported into Canada to be sent across to England and France to help prosecute the war. Evidence was given that duty was paid in connection with motor transports of different kinds, amounting in the aggregate to many thousands of dollars. Would the minister explain whether there has been any fixed policy in that regard and, if so, the reason for that policy?

Major General HUGHES: In the early stages of the war our attention was not directed to these little points, although arrangements were made with the Customs Department—the Minister of Customs was only too willing to accede to the suggestion—whereby goods coming through in bulk or bond should be entered duty free. The case of trucks partly made in Canada, upon which the duty is paid by the manufacturer, is a rather complicated matter; we are looking into it. I found the other day that duty is being charged upon field glasses; it is of duty in this respect refunded by the Customs Department. We are proceeding to have this matter looked into, and whatever duty has been paid on imported articles to be used for war purposes, it is our intention to have refunded.

Mr. CARVELL: Refunded to the war appropriation?

[Mr. Macdonald.]

Major General HUGHES: Yes.

Mr. CARVELL: About how much money has been paid in duty on such articles as have been mentioned?

Major General HUGHES: Not very much, I think. It was in connection with the importation of field glasses that my attention was directed to this matter. We furnished the officers with field glasses, and I found that they were being put in at abnormal prices. Upon inquiry I found that these prices were partly due to the duty which was being paid and partly due to a combine which prevented the sale of field glasses at reduced rates. With this combine Canada has nothing whatever to do. We tried half-a-dozen times to break it; we did break it once, but I am sorry to say that we cannot break it again. Duties which have been paid upon these field glasses will be refunded.

Dominion arsenal, $300,000 .

Mr. PUGSLEY: Where is the Dominion arsenal situated, what work is being done there, and how many men are employed?

Major-General HUGHES: Salaries amount to $34,000; wages of operatives, $581,000; material, $564,000; machinery, $5,000; electricity and gas, $18,000. It is required to keep the arsenal going night and day. About six hundred men are employed.

Mr. PUGSLEY: What does the arsenal turn out?

Major General HUGHES: The arsenal turns out mark vii rifle ammunition and a limited number of shrapnel shells.

Mr. PUGSLEY: Where is it?

Major General HUGHES: In the city of Quebec. Part of the works are on what is known as Cove Fields, near the citadel.

Mr. PUGSLEY: What does it cost per thousand rounds to manufacture the mark vii ammunition?

Major General HUGHES: I am informed by my deputy minister that at the present time mark vii ammunition, which is more expensive than the other, costs from $32 to $35 per thousand rounds.

Mr. PUGSLEY: I have the last report of the Secretary for War of the United States, and in which it is stated by the officer who is in charge of the arsenal that the average cost of the manufacture of rifle ball cartridges during the year was $22.89. An

order for 10,000,000 ball cartridges was filled at the rate of $22.50 per thousand. That would be very considerably less than the cost of producing the mark vii ammunition at the Dominion arsenal.

Major General HUGHES: The size of the American ammunition is .300; ours is .303; that however, may make no difference in cost. The cost which the hon. gentleman has given is the net cost, not including overhead charges. The American Government have a number of firms retained for the manufacture of ammunition—many of these firms are largely employed in manufacturing ammunition for the Allies—and to these firms they give what may be called semi-guaranteed orders each year. The British mark vii is more expensive to make than the American ammunition. Does the hon. member know what the United States pays for ammunition from the factory?

Mr. PUGSLEY: Why does the hon. minister think that the price of $22.50 at the Brookfield arsenal recently would not include the overhead charges? It professes to give the cost and also in the same connection compare the prices which they have had to pay to the factories, running as high as $35.76. Therefore I would assume that the $22.50 would include the overhead charges in the Government arsenal.

Major General HUGHES: If the hon. member looks up the report he will find that it does not include overhead charges. The fact that the hon. member admits that his own report says that the cost runs up as high as $35 when the ammunition was purchased from outside factories bears out my contention.

Mr. PUGSLEY: Of course this must be borne in mind, that in the United States in times of peace, with a standing army of less than 80,000 men, their requirements of ammunition would be trifling compared with those required by the British Government as the result of the activities of Mr. J. Wesley Allison. I am told that as a result of his negotiations 200,000,000 rounds were ordered.

Major General HUGHES: 75,000.

Mr. PUGSLEY: My information is 200,000,000 altogether. That would be giving employment to the factories for a very considerable period of time, and one would suppose that the prices at which the ammunition would be turned out would be very considerably less than if it was a case of comparatively small orders, such as the orders given by the United States Government. I take it from the statement of the American Secretary of State for War that they thought the manufacturers were charging too high a price and they made a careful study of the matter and gave an order to the Brookfield government arsenal recently for 10,000,000 rounds with the result that the total cost of manufacture was only $22.50 per thousand rounds.

Major General HUGHES: If the hon. member looks back he will see the figures are borne out relatively the same for years. What they pay to the factories is much higher than what they put down as the cost to themselves. The figures from which the hon. member is quoting are ante bellum figures, the figures of last year's report when there was no war on. To-day I will venture that the prices for United States ammunition are 20 per cent to 25 per cent more from the factories. Therefore I do not see that my hon. friend has made much of a point.

Mr. PUGSLEY: As my hon. friend says, these are war times; but it must be borne in mind that the Allied Governments are acting together in the purchase of ammunition; there is no competition. It is not as if Germany or Austria were buying. Neither of those countries is a customer because they could not get the war supplies across the Atlantic to Germany, and therefore one would think that the British Government and the French Government and the Russian Government would be able to get ammunition supplies at fair and reasonable prices. I recognize that there might be a somewhat higher cost for materials owing to the demand and the many rush orders, but it seems to me that the margin between $22.50, which the Secretary for War of the United States says is the actual net cost of manufacture, which I would assume would include overhead charges, and $33 per thousand rounds is very large.

Major General HUGHES: If my hon. friend could induce some member of the United States Congress to take that matter up I presume he would have a good field to operate in; but as it does not concern ourselves in the slightest I do not know whether we need burden ourselves with it. Our net cost paid to outsiders is higher than the figures he has given and our factory price is lower than the price in the United States, which I think shows that we have made a good bargain.

Mr. PUGSLEY: It concerns us if we find that we are paying very considerably higher

prices in Canada than the same ammunition costs in the United States, where the cost of labour and of materials would be at least as high as in Canada. It also concerns us in another way, that the British Government, which would be interested in getting ammunition at the lowest possible cost, has entrusted this Government with the purchase of ammunition for it. It concerns us if Mr. J. Wesley Allison, acting for this Government through the Minister of Militia, has committed the British Government to the payment, as my information is, of something like $8 per thousand more than might have been arranged for if proper judgment had been exercised and proper arrangements had been made in the interests of the British Government.

Major General HUGHES: Will the hon. gentleman, with his usual ability, point out where there is justification for any assertion that there is a difference of $8. He admits that the United States Government before the war began was paying $35 per thousand for their own ammunition. The Canadian Government was getting theirs for $31 before the war. As soon as war broke out it went up to $33 and $35. The ammunition which I had the honour of securing from the manufacturers in the United States was bought at a lower price than other ammunition that was sold since a shot was fired, $33 a thousand.

Mr. PUGSLEY: The hon. gentleman stated last evening that Mr. J. Wesley Allison made no charge against this Government for commission so far as related to purchases which he made for this Government; but he said it was a different matter so far as the British and Russian Governments were concerned. Can he tell the committee what was the commission which Mr. Allison received for purchases which he made for the British Government in respect to matters regarding which he had been appointed through the instrumentality of the Minister of Militia?

Major General HUGHES: Could my hon. friend just repeat that once more, it is a beautiful sentence.

Mr. PUGSLEY: I would be very glad, is my hon. friend hard of hearing?

Major General HUGHES: Not the slightest, or of conceiving either. If my hon. friend could bear in mind that he was distinctly informed last night that Lieut.-Col. Wesley Allison did not make contracts for any Government, but was informed that he assisted in breaking down the combine of the American manufacturers from $42.50 to $37.50 and then from $37.50 to $33, two dollars less than the United States Government itself was paying for similar ammunition before the war broke out, I think he will agree that it is a tribute to the genius and ability of the Minister of Militia and Colonel J. Wesley Allison.

Mr. PUGSLEY: That does not answer my question.

Major General HUGHES: I want the hon. gentleman to repeat that question again.

Mr. PUGSLEY: I suppose my hon. friend has to be ingenious to avoid answering all the questions put to him these days. My question was very clear.

Major General HUGHES: State it again.

Mr. PUGSLEY: I called my hon. friend's attention to the fact that last evening he stated that Mr. J. Wesley Allison had not charged the Canadian Government any commission in respect of purchases which had been made for this Government. My hon. friend also said that it was different so far as the British Government and the Russian Government were concerned. I asked my hon. friend whether he can state to the committee the amount of the commission paid to Mr. J. Wesley Allison in respect to the purchases which he made for the British Government through the instrumentality of my hon. friend the Minister of Militia?

Major General HUGHES: If the hon. gentleman will name the contract that Mr. Wesley Allison made for the British Government I shall be pleased to answer his question.

Mr. PUGSLEY: My hon. friend says that Mr. Allison was appointed by him to act on behalf of the British Government—

Major General HUGHES: No.

Mr. PUGSLEY—in order to force down the prices and break the combine. Now does not my hon. friend see that that must have involved negotiation between Mr. Allison and these different manufacturers? Mr. Allison would be trying to cut down the prices first of one and then the other manufacturer, and would not the whole result be then communicated to the Minister of Militia, who then met with the representatives of these companies at Moira, in New York, and signed up the contract based

on negotiations carried on by Mr. Allison on his behalf as representing the British Government? I ask if my hon. friend can tell me what commission Mr. Allison received from the British Government for those services?

Major General HUGHES: Mr. Allison was not serving the British Government, but the Minister of Militia. He has had no commission either directly or indirectly for anything he has done for or through the Minister of Militia in any shape, form or manner.

Mr. PUGSLEY: Then what did my hon. friend mean by stating to the committee last night that although Mr. Allison received no commission on the purchases he made for the Canadian Government, it was a different matter so far as the British and Russian Governments were concerned?

Major General HUGHES: I do not know that that is any of the hon. member's business, but I will answer it. There is nothing to conceal. Mr. Allison declined to accept anything either directly or indirectly for anything he might do in connection with the Dominion of Canada. I understand that Mr. Allison has been instrumental in making large contracts with the Russian Government in the Dominion of Canada and in the United States, amounting to upwards of $80,000,000 in one or two cases. I have no reason to doubt that he made at least expenses on these contracts. I presume he is not out for his health any more than my hon. friend has not been out for his health all his life. I presume he would get an honest man's recognition in these matters, but I have nothing to do with that; I know nothing about it. I have heard it rumoured that large contracts for war supplies were made by him with persons in other countries, and I suppose he has been making a fair profit. I have every reason to believe that he would not seek to make an unfair profit in any of these transactions. I can assure my hon. friend that, on any transaction in which I was engaged, Mr. Allison from start to finish refused to accept any recognition or commission.

Mr. PUGSLEY: My hon. friend asks me on what I base my statement that there was a difference of eight dollars in the price at which this ammunition could have been bought for the British Government and the price at which it was actually bought. What I base my statement on was this, and I was very careful to state when I addressed the committee last evening, and when I made a previous statement in this House, that I had no personal knowledge of the matter. I was speaking entirely on information that I received from parties in the city of New York who professed to have a knowledge of the subject. I brought the matter to the attention of the Government, and, last evening, to the attention of the Minister of Militia, in order that the matter might be looked into. I am not making any charges at all, but my hon. friend will recognize that the people are entitled to get the facts in regard to purchases of war material. The statement which I made was this: that I was informed that the British Government, through a gentleman whom they had perhaps not definitely employed—perhaps it would be better to say tentatively employed—for the purpose of buying ammunition, had got into communication with the largest manufacturers of ammunition, and this gentleman had practically, if not absolutely, fixed the price at which it could be obtained in large quantities at $25 per thousand rounds.

Major General HUGHES: I thought the hon. gentleman said $26.50 last night?

Mr. PUGSLEY: I corrected that figure this morning, and I will tell my hon. friend how I got the other figures. My statement further was that before the contracts were definitely closed Mr. Allison appeared on the scene in the city of New York, as representing the Canadian and British Governments, that notices were sent out by him to the various manufacturers of ammunition, representing that he was authorized to act on behalf of the Canadian and British Governments, that as a result of his intervention the manufacturers broke the negotiations which were pending for the supply of ammunition at $25 per thousand rounds, and the price to the British Government was raised to the sum of $33 per thousand rounds. Now, it is only fair to say that my information is that the price to be actually paid to the manufacturers, that is, the net price which they would receive clear of Mr. Allison's commission, was raised from $25 to $26.50; and my information is that that left $6.50 per thousand rounds which would be available for commission to Mr. Allison and his associates, who devoted so much ability, as my hon. friend says, and so much energy in the arranging of these contracts with the manufacturers.

Major General HUGHES: The hon. gentleman has missed his calling; he should have been a professor of mathematics. I enlightened him last night or sought to enlighten him on the figures. When the hon. member in his own Christian spirit and with no desire to do anything but advance the cause of the country first placed the statement on Hansard which he has now given to the Committee, I was not in my place in the House. But I took occasion to look the matter up, and I found that a firm by the name of Flint & Company—I am talking right by the card and I can talk a great deal more if I want to—and the company at Cincinnati held the price up first to $42.50. They then came down to $37.50. This same firm of Flint & Co. claimed to have been instrumental in securing for some American concern a contract with the British Government for 20,000,000 rounds for mark vi ammunition, which I am free to say was at $26.50 per thousand very, very dear, and I venture to say there was quite a rake-off for Flint & Co. if they were instrumental in securing that contract. I understand on inquiry that the Remington Company claim that they secured the contract through the British agent in New York. I do not know who he is, but I understand he is connected with the British Embassy. I understand that they secured this contract through that officer, and that Flint & Company claim that they had something to do with it and have an action pending. I do not know anything about the merits or demerits of the case, and I care less. But what I do know is that Colonel Wesley Allison has nothing either directly or indirectly to do with that contract.

Mr. PUGSLEY: Is he a real colonel or an honorary colonel?

Major General HUGHES: He is a real live wire.

Mr. PUGSLEY: He must be; we will all admit that.

Major General HUGHES: My hon. friend is making out a very bad case for himself.

Mr. PUGSLEY: I am not making out a case at all.

Major General HUGHES: I admit that, but he is attempting to. The hon. member has pointed out that the American Government before the war paid $35.76 per thousand rounds. That is what the Government of the United Statets paid to their own manufacturers for their own ammunition, not as expensive an ammunition as our Mark vii.

Mr. PUGSLEY: Why does the minister say that it was not Mark vii?

Major General HUGHES: Because this Mark vii is a British number. The American ammunition is not so expensive as what is known as .303 Mark vii. Mark vii is a sharp long bullet, with aluminum in one end and lead in the base. It is a very expensive bullet to make; the English bullet is a more expensive bullet to manufacture than the American. The British ammunition costs more, and yet the American Government, before the war commenced, before the price had gone up, before kupfer nickel had become expensive, before aluminum and lead were in demand, and before powder had got dearer, were being asked $35.76 for this American ammunition. The Yankee Government were paying that and they were glad to get it.

Mr. PUGSLEY: In smaller quantities.

Major General HUGHES: Never mind that. Yet my hon. friend would criticise us when the least the British Government paid for their ammunition was $33 per thousand. The same manufacturers in the United States, after the war broke out, were asking $42.50 for this ammunition.

Mr. PUGSLEY: My hon. friend is trying to get away from the statement which I am informed is correct, viz.: That had it not been for the intervention of his very particular friend of thirty years standing, the British Government would have succeeded in getting this ammunition for $25 per thousand.

Major General HUGHES: The hon. gentleman has not the slightest particle of evidence that there is a tittle of fact in what he has stated, and he cannot produce any. He cannot show that the British Government in Britain, in Canada, in the United States, or in any other part of God's green universe, ever was able to get Mark vii ammunition at less than $35 a thousand, excepting the one lot that I had the honour of being instrumental in getting for $33 per thousand.

Mr. PUGSLEY: My hon. friend may be absolutely correct. I have not the slightest idea as to whether I am correct or not. It may be that the gentleman who gave me this information gave me false information.

Major General HUGHES: I say so.

Mr. PUGSLEY: My hon. friend does not know that.

Major General HUGHES: Yes, I do know it.

Mr. PUGSLEY: He does not know it.

Major General HUGHES: But I do know it.

Mr. PUGSLEY: My hon. friend cannot know it. But from his position as Minister of Militia he ought to be able to ascertain whether or not it is true that before Mr. Allison intervened in New York, and sent circular letters broadcast announcing that he was acting for the Canadian and British Governments, these manufacturers had been willing to take large orders for this Mark vii ammunition at $25 per thousand rounds. Perhaps my hon. friend will make that inquiry.

Major General HUGHES: No, I will not, because I made it long ago.

Mr. PUGSLEY: The difficulty with my hon. friend is that he is so—I was going to say self-opinionated, but that would be offensive, and I do not want to say that—but my hon. friend thinks he knows it all. He sympathizes with me because I know so little.

Major General HUGHES: That is right.

Mr. PUGSLEY: My hon. friend thinks I do not know the difference between what is called a round-nosed bullet—

Mr. FOWLER: Squid.

Mr. PUGSLEY: Did I hear the hon. member for Kings and Albert?

Mr. FOWLER: You can generally hear him.

Mr. PUGSLEY: I am glad to see the hon. gentleman here to enliven us, and I would be very glad if he would let the minister know what he thinks about the minister's transactions.

Mr. FOWLER: He thinks the minister is all right.

Mr. PUGSLEY: Perhaps, having regard to ammunition, but not in regard to training grounds and that sort of thing. My hon. friend might criticise the minister and he could do it certainly more effectively than I could because I am not attempting to criticise him.

Major General HUGHES: That is true.

Mr. PUGSLEY: In any remarks I have made I have not found the slightest fault with the minister because I appreciate what the minister has had to do and I appreciate the great energy he has brought to bear upon the discharge of his arduous duties. I think the minister would, if he had a little more backing from his Conservative friends, be able to discharge his duty even more effectively. He is in a very difficult position and he requires all the support that can be given to him. While I recognize that from this side of the House we would be able to supply many gentlemen who would be able to discharge these duties better than the Minister of Militia has done, I regret that I fail to see on the other side of the House any gentlemen who would compare with the Minister of Militia as far as the discharge of these important duties is concerned. Among the many thousands of loyal Canadians in the city of New York who wish well to Canada, and who would like to keep up the good name of this country, there is a general belief that the ammunition could have been bought by the British Government at $25 per thousand rounds and that by reason of the intervention of Mr. Allison they were induced to break off negotiations and the price was raised to $33 per thousand, the manufacturers themselves actually receiving net the sum of $26 per thousand rounds. The minister says he will not look into that. Well and good, if he will not look into it I will be obliged to think that he is not fully and properly discharging his duties.

Major General HUGHES: I will tell my hon. friend why I will not look into it—because I looked into it long ago and I found there was nothing whatever in it more than there is in the remarks of my hon. friend here tonight. There is not a particle of truth in the statement that he makes. The British Government directly—not through any Canadian agency and not through Col. J. Wesley Allison—negotiated for 20,000,000 rounds of mark vi ammunition and they paid a great deal more for it than they should have paid for it. That was before the outbreak of the war I understand—I have never seen the contract.

Mr. A. K. MACLEAN: How much did they pay for those 20,000,000 rounds?

Major General HUGHES: I am not at liberty to give the figures, but it was more than they should have paid. It was not my contract; had it been I would have had no hesitation in telling what was

paid. Before the war my hon. friend says reluctantly, I am free to say, that the Yankee Government were paying $35.76 per thousand for the Springfield ammunition and it is not as expensive ammunition as the British mark vii. It is a little more expensive than the British mark vi, but not so expensive as the British mark vii. There is about $5 difference between the two. It will be $7 or $8 now.

Mr. PUGSLEY: This report does not say so.

Major General HUGHES: The report says nothing about mark vii ammunition.

Mr. PUGSLEY: It says that this is the latest ammunition.

Major General HUGHES: That has reference to American ammunition. My hon. friend does not seem able to get it through his noddle that it is United States ammunition that he is talking about The ammunition of which I am speaking is two classes of British ammunition, namely, mark vi, contracted for by the British Government before the war and mark vii after the war had been going on for some time.

Mr. PUGSLEY: British ammunition made by Yankee manufacturers.

Major General HUGHES: Yes. Millions of rounds. The British Government paid a certain figure for mark vi. Perhaps my hon. friend has the figures. I should imagine so by the style of his argument.

Mr. PUGSLEY: No.

Major General HUGHES: I should imagine that he has heard the figures at all events, if he has not seen anything. Mark vii ammunition is more expensive than the American ammunition, which costs $35.76, according to the statement of my hon. friend. I am willing to accept these figures in this case, although not in others. That ammunition was put in at $33 for the British Government through the Minister of Militia and Defence for Canada, at a time when contracts were being made directly for $42.50, and when the lowest offer made by Flint and Company, in whom my hon. friend is interested, was $37.50. To-day as high as $48 per thousand has been paid for ammunition.

Mr. PUGSLEY: Does the minister mean to say that I am interested in Flint and Company?

[Mr. Sam. Hughes.]

Major General HUGHES: Interested in a casual way, because it is their case that the hon. member is discussing.

Mr. PUGSLEY: I understand that Messrs. Flint and Company are among the very largest merchants in the United States.

Major General HUGHES: Yes.

Mr. PUGSLEY: That is the reputation which they have. They have been entrusted by the various Governments with purchasing munitions of war for a very long time. They are a firm of very high standing.

Major General HUGHES: Not only high in standing but high in price.

Mr. PUGSLEY: That may be so. That may account for their wealth.

Mr. McCREA: I wish to draw the attention of the minister to the supplies for the 5th mounted rifles now at Sherbrooke, although I presume he is not responsible personally The merchants of that town are complaining a great deal about the treatment accorded to them. They are all friends of the Conservative party. The Government advertised for tenders for the necessary food and other supplies, and tenders were to be in and opened on the 5th of February. It is reported—and I think correctly—that the party supplying the meats and some other goods had a car or two cars of those goods standing on the track several days before the tenders were supposed to be opened. The merchants of Sherbrooke are fair-minded men, and they would not expect any orders from the Government unless their prices were as low or lower than those of their competitors; but they are not very well satisfied when they find that their competitor has been awarded the business and that he has the goods on the ground three or four days before the tenders are opened. That is the complaint made to me, and I want to know whether it is correct or incorrect. If it is correct, it is hardly fair treatment.

Major General HUGHES: My hon. friend does not deny that tenders were called for. The point that he makes is that this company that had the refrigerator cars seemed to know in advance that they were the lowest tenderers.

Mr. McCREA: The people supplying the meat had one or two cars of goods in Sherbrooke nearly a week before the tenders were supposed to be opened.

Major General HUGHES: I do not know anything about that. I will make inquiries and see how the matter stands.

Militia and Defence—Engineer services and works, $1,050,000.

Mr. CARVELL: My hon. friend the minister seems to be spending a large amount of money on engineer services and works. It would strike a layman that, at a time when all our energies ought to be devoted towards prosecuting the war overseas, a great saving might be made. The minister is making a saving of $307,500 as compared with last years' estimates; but he is paying out in engineer services and works over $1,000,000. He is spending on ordinary repairs and works, $400,000, which is an increase of $127,000 over last year. One could hardly imagine how that could be necessary unless some special works are being carried on by the minister, of which we have not received any particulars up to date. For armouries, generally, there is an amount of $225,000 in the Estimates, in face of all the enormous expenditure which this country is shouldering at the present time. Does not it strike my hon. friend the minister that, in some way or another, he might cut down some portion of this expenditure?

There are some very remarkable stories floating around Canada as to the efficiency, or lack of efficiency, of his engineer service, taking it as a whole. Last August the minister was confronted with an extraordinary condition of affairs, when it was necessary to assemble an army of thirty odd thousand men for overseas service, and he had to assemble them at a certain point. Every one admits that the minister was wise in his choice of location at Valcartier. So many people in Canada, however, have been there and knew what was going on, that I wish to recall to my hon. friends many of the stories. One is that absolute chaos reigned supreme in getting ready for the work down at Valcartier, and that my hon. friend's engineer service absolutely fell to pieces. The fact was that so serious did the condition become, my hon. friend was compelled to call upon a rank outsider, a man who up to that date was known as Bob Low, but who since then has been designated by the more euphonious title of Colonel Robert Low. In the Maritime Provinces Bob Low is known as a good contractor. When the engineer service broke down at Valcartier, my hon. friend sent a telegram to Bob Low —I beg his pardon; I mean Colonel Robert Low—asking him if he could send a crew of 300 men down immediately. Bob Low replied, " If you will send a special train, I will get there." I believe he got there with his men within two or three hours, and set to work and restored order out of chaos. We are told—and it is common knowledge around the eastern portion of Canada—that splendid work was done by this rank outsider. For the work that he performed he was made an honorary colonel, although many men have been made colonels for far less cause than Low was. Low should have been a real colonel, not an honorary colonel. He should have had some real distinction. If the stories which I am relating are true, does the minister feel that he is justified in keeping up this enormous engineer service which he is maintaining and paying enormous amounts of money to it, which is evidently a waste, when we need all the money which we can possibly save? If I am wrong and Colonel Low did not perform the service, then possibly I am doing an injustice to the engineer corps; but I would like a statement from the minister, and I think it is due to the House and the country for him to state exactly whether the splendid results achieved at Valcartier later on were due to the energy and ability of Colone' Low, or if they were due to the energy and ability of the ordinary engineer services, for which we have been paying such a large amount of money during the past year.

Major General HUGHES: I would point out to my hon. friend that when the war broke out there was no chaos in the Department of Militia and Defence. We got our feet on the table so that the intellects would run down, and in less than twenty-four hours things were moving. On the eighth of August the first day after the division was accepted our engineer forces were on Valcartier ground. The engineers were there: Major Deroche; Major Hughes—not of my clan, but an able man, one of the ablest in Canada; Colonel Maunsell, and other engineers. Colonel Low, who had been manager of the works at the Connaught ranges under Messrs Bate and MacMahon, was an estimable contractor. I invited him down because I knew he had two or three of the best machines for trenching to be found in America, and I knew he was the kind of a man who knew how to drive work ahead. Major Deroche did the engineering work and Colonel Low did the contracting, and it was mighty well done. Three and a half miles of rifle ranges were constructed in ten days. Mr. William Price of Quebec—now Sir William Price—and Mr.

McCarthy, a very estimable engineering officer, undertook the laying of the water-mains and twelve miles of water-mains were laid under their direction—

Mr. CARVELL: Or by Colonel Low?

Major General HUGHES: No, by these gentlemen. When Colonel Low was through with the rifle ranges, having an excellent staff of men, he was good enough to lend his assistance in other works around the camp. The engineering officers built bridges across the river and they laid out and built roads. A great deal of other work was done that it is not necessary to mention. Whatever opinion I had of my engineering service, before Valcartier, it was changed entirely, and I was surprised and more than delighted to see the splendid energy they displayed, the work they did and the service they gave to the country in this emergency. In the city at present are a large number of engineers, including some hundreds of graduates of the universities of the country standing in the ranks as privates and preparing to go to the front to do their duty there. The engineering service of the Dominion, whatever other department may have fallen down in this emergency, have come splendidly to the front.

Mr. CARVELL: Then I take it that Colonel Low is not entitled to all the credit given to him in some quarters—

Major General HUGHES: I have never grudged him any credit. He is one of the most energetic, progressive and forceful contractors it has ever been my privilege to meet.

Mr. MARCIL: How did Valcartier come to be chosen? Was it on the report of the officers?

Major General HUGHES: It was not. I accept the full responsibility. I climbed the hills at Quebec with the object in view of finding a site for a camp. I felt 10 p.m. that this emergency was going to arise in the near future, and that in any case the district of Quebec required a camp ground for manoeuvering purposes. Then if war ever came—as we hoped then it would not—we would have a training ground in the vicinity of Quebec. But the war did come, and we were so far prepared to meet the emergency. There are two other localities not far from Quebec, that, I think, are better, because there is no river running through them. But in each case we should have to build twelve or fifteen miles of road to reach the camp, and that would be more expensive. Valcartier is a beautiful spot; with a light sandy soil and the locality could hardly be better. The troops going there were more than delighted.

Mr. PUGSLEY: I am glad to know that Mr. Low has been given the honour of a colonelcy as a recognition of his proven merit. It was my privilege first to employ Mr. Low in connection with the public works in Ottawa when I was minister.

Major General HUGHES: The hon. member knew a good thing when he saw it.

Mr. PUGSLEY: I am quite satisfied he is a very excellent contractor. I am glad to know that the training that he had received while I was minister and he was being employed in the Public Works Deparment stood him in good stead when he came under the employment of the hon. Minister of Militia.

Mr. A. K. MACLEAN: There is an amount here of $50,000 for Halifax defences. Does the hon. minister intend to expend this money?

Major General HUGHES: It has to be expended this year.

Mr. MACLEAN: On what?

Major General HUGHES: If the hon. gentleman will come to my office, I will tell him.

Militia and Defence—Headquarters, divisional and district staff, $205,500.

Mr. A. K. MACLEAN: A few days ago there was a change made in the divisional headquarters staff at Halifax, by which Colonel Humphrey was retired and another person appointed in his stead. I hesitate to pass an opinion on what a Minister of Militia should or should not do in respect to his own officials; but I may say that the retirement of Colonel Humphrey has occasioned a great deal of surprise in Halifax, and particularly amongst competent military gentlemen, persons capable of forming a valuable opinion on matters coming within the purview of headquarters officials. It does seem peculiar that this officer should have been retired just at this stage. I am personally acquainted with the gentleman appointed to succeed Colonel Humphrey, in fact, he is a close personal friend of my own, and doubtless will make a very competent official after having some experience in the office. I do hope the minister feels there was some good reason for taking the action he did. The question

which, more particularly, I wish to ask the minister is, what allowance has been made to Colonel Humphrey upon his retirement? Am I to understand that he receives the same allowance that he would have received had he served out his full term, which, I think, had a year or two years to run?

Major General HUGHES: The hon. gentleman is right. Colonel Humphrey is getting his full pension, and also leave of absence necessary to complete his full term of service. He has been a very energetic officer in times gone by. There is no fault to find with him. But we felt that a post like that, with a large district to administer, and at a time such as this, required a younger man.

Militia and Defence—maintenance, military properties, $160,000.

Mr. EDWARDS: Under the administration of the former Minister of Militia a piece of road near Kingston, about two miles in length, was taken over by the Government. Has the minister taken into consideration this year the matter of effecting repairs to that road? It might not be advisable to spend money at present on that part of the road from the foot of the hill to the bridge, because during the building of the causeway heavy loads are taken over it for filling purposes. The worst part of the road, however, is that section from the top of the hill to the camp ground, and I suggest that any permanent work that is proposed should be done to that part of the road. Nothing has been done for some time, but something will have to be done during the present summer. I do not want to press this matter unduly, but, as the minister knows, I have taken a good deal of interest in this piece of road, and I should like to know if it is the intention of the department to make either temporary or permanent repairs or improvements to the road during the coming summer.

Major General HUGHES: The hon. gentleman has brought this matter up on several occasions, and I must say that his ideas are very practical. A year or two ago we considered the advisability of building a sidewalk up to the Barriefield camp. The hon. member drew our attention to the fact that it would be better to improve the roadway than to build the sidewalk, and he secured estimates to show that we could improve the road with the same expenditure as that which was proposed to be made on the construction of sidewalk. The matter is now before our engineering department, and I may say that if we cannot expend the whole amount necessary to complete the roadway this summer, we certainly will repair it, because our engineers report that it is badly in need of repairs.

Militia and Defence—permanent force, $2,500,000.

Mr. CARVELL: What proportion of the permanent force is now in Bermuda?

Mr. A. K. MACLEAN: Will the minister give at the same time the present location of the different parts of the entire permanent Canadian force?

Major General HUGHES: The Royal Canadian Horse Artillery, the Royal Canadian Dragoons and the Strathcona Horse are, as the hon. member knows, at the front with the engineers and medical corps. We have still a permanent corps, infantry and artillery at Esquimalt. We have permanent forces also at Winnipeg, London, Toronto, Kingston, Quebec and Halifax. The regular Royal Canadian Regiment is at Bermuda.

Mr. A. K. MACLEAN: The Royal Canadian regiment now at Bermuda is a part of the Canadian permanent force?

Major General HUGHES: Yes.

Mr. CARVELL: Can the minister give approximately the strength of the respective forces?

Major General HUGHES: I could not give the exact figures. We are removing some of these troops, but I prefer not to give their destination.

Mr. CARVELL: I realize the importance of not divulging military secrets; I am not asking the minister to do that. All the permanent forces that left the country are being paid out of the war vote; there must be but a small proportion of the permanent forces in Canada as compared with a year ago.

Major General HUGHES: No.

Mr. CARVELL: The minister can give us the facts. That is why I wish to get the approximatae strength of the present permanent force.

Major General HUGHES: I will get particulars for the hon. gentleman. For instance, at Kingston, although the Royal Canadian Horse Artillery have gone to the front, the depot is still there. As soon as

the troops are taken away an effort is made to recruit the force up to full strength. At Halifax we are calling out four companies to replace the men who have gone to the front.

Mr. A. K. MACLEAN: Do I understand that when the Royal Canadian Regiment left Halifax for Bermuda the department immediately took steps to recruit a new permanent regiment to be stationed at Halifax?

Major General HUGHES: Yes.

Mr. MACLEAN: The permanent troops are paid out of the war credit vote?

Major General HUGHES: Only those who go to the front.

Mr. CARVELL: Take those who have gone to Bermuda.

Major General HUGHES: That is without the three-mile limit.

Mr. CARVELL: That is the Royal Horse Artillery, the Dragoons and the Royal Canadian regiment. That would be a pretty formidable force of men. They are paid out of the special war vote. I know a number of infantry men who were recruited in the Maritime Provinces and taken to Halifax after the Royal Canadian regiment was sent to Bermuda. I do not know their exact status; I never understood whether they became a portion of the regulars or permanent force. Would the minister tell whether they are paid out of the war vote or this vote?

Major General HUGHES: These are the troops who are paid out of this vote. They are to replace the men who have gone to the front. We are now calling in four new companies from the Maritime Provinces for this permanent regiment.

Mr. CARVELL: I have sometimes in the past criticised militia expenditures and I have not much regret for having done so. The thing that has surprised me in the whole conduct of the war by the minister is the fact that we have been spending $2,000,000, or $3,000,000 on a permanent force annually and when trouble came the men who were really trained, if there were any in Canada, the men on whom a very large amount had been expended year by year, were not sent to the front but were sent off to spend the winter in the beautiful climate of Bermuda. This is a remarkable thing and calls for explanation. I do not ask the minister to divulge any military secrets.

[Mr. Sam. Hughes.]

Major General HUGHES: I am glad the hon. member has brought this matter up, as it gives me an opportunity to meet certain charges, the only charges that have been made against me.

Mr. CARVELL: I am not making charges.

Major General HUGHES: I have been charged with being unfriendly to the permanent corps. What I have done is to see that the permanent corps get no favour over the militia corps. We are all the active militia of Canada. But when the war broke out it was my desire that the Royal Canadian regiment should not go to the front as a unit but that some of the non-commissioned officers and certain of the officers of this corps should be distributed among the other regiments in order to give them the benefit of their training, because these are simply instructional corps. However, about this time the British Government—there is no harm in saying it—requested that we should send the Royal Canadian regiment to Bermuda and release the Lincolnshire regiment then garrisoning Bermuda. We got the order, we recruited the regiment up to full strength by the addition of 400 or 500 men, and in four days that regiment was sailing for Bermuda, a feat of which my officers are very proud. They are there yet. If the British Government want them at the front all they have to do is to ask them to go to the front and I am sure the Government of Canada would be only too pleased to accede to the request. From time to time personally and against the judgment of the regularly trained officers of the department I have been endeavouring to pick out some of these good fellows from that regiment and send them with the other regiments; but the officers of the department think that the regiment should be kept intact as a body and that if they go to the front they should go as the Royal Canadian regiment.

Mr. C. A. WILSON: Could the minister explain the retirement of Colonel Alexander Roy, of Victoria?

Major General HUGHES: He has been retired on leave, getting full pension. I understand that his retirement was perfectly agreeable to him.

Mr. MARCIL: Would the minister give some information as to the status of the so-called home guards?

Major General HUGHES: They are purely voluntary organizations, splendid

organizations, showing the patriotism and loyalty of the Canadian people.

Mr. A. K. MACLEAN: They have such a company in Toronto, have they not?

Major General HUGHES: They have, I am very glad to say, a company in Toronto. I had the honour of reviewing them a couple of nights after a certain event.

Mr. GRAHAM: Interviewing.

Major General HUGHES: I was interviewed first and then I reviewed them and I had the honour of having 20,000 people wait until five minutes to eleven in order that I might review them. They have since formed one of the best regiments in Canada. They had no uniforms last Thursday morning, but on Saturday they marched through the streets of the city in full uniform. The home guard as such are not a part of the militia force, they do not come under the Act. We give them our blessing and wherever we can we lend them some old rifles and furnish targets and ammunition and that sort of thing. That is all we can afford to give them, they are not under the Militia Department at all.

Mr. MARCIL: Are they sworn in as volunteers?

Major General HUGHES: We do not swear them.

Mr. GRAHAM: They have their ranks have they not?

Major General HUGHES: Yes. If my hon. friend or any one wishes to call himself a colonel or a major, there is nothing in the law to prevent it.

Mr. GRAHAM: I was not sure about that.

Major General HUGHES: I know they do all over. So does the Salvation Army. In order to meet the desire of these home corps all over the country, and very many of them are ex-militia men and officers, we are bringing them under our Reserve Act. Colonel Mason of the Senate has taken a very active part, with Colonel Geo. Starke, of Montreal, and others, in organizing this reserve. We are now bringing them under the Reserve Act in connection with the militia and while we cannot do very much for the home guard this will give them a sort of status without expense to the public.

Mr. GRAHAM: They purchase their own rifles?

Major General HUGHES: I have heard they have purchased some very excellent rifles and in some places corporations have purchased rifles and do not know what to do with them.

Mr. C. A. WILSON: Is Lieut. Col. Armand Lavergne in the active militia or is he commanding a home guard or has he gone to the front or is he still attorney to the hon. the minister?

Major General HUGHES: Armand Lavergne is colonel of the 61st Montmagny regiment, a very excellent regiment—a handsome and excellent colonel.

Mr. C. A. WILSON: Is he at the front?

Major General HUGHES: No.

Mr. PROULX: Did he offer his services to the Minister of Militia?

Major General HUGHES: He would not offer them to me, he would offer through the regular channel; he is a well posted officer.

Mr. PROULX: I read in Le Soleil, of Quebec, an article reproduced from Maclean's Magazine saying that the transport of the troops had been delayed for a month because a lady had informed the Minister of Militia that a German Zeppelin was in the Laurentian mountains and the hon. the minister wanted to make an investigation before the troops departed from Quebec.

Mr. HAZEN: What is the lady's name?

Mr. PROULX: The article did not mention it, but it said that she met the minister at the table in the Chateau Frontenac and made an appointment for nine in the evening on the corner of Dufferin terrace, that the meeting took place and the lady informed the minister that a German Zeppelin was hovering over the Laurentian mountains, and that consequently it would be unsafe for the troops to embark.

Major General HUGHES: I presume the hon. member saw the lady's picture in the paper. She was a very handsome lady, too. But to my mind the picture of the Minister of Militia did not do him justice, but of course my being nervous and bashful in the presence of the lady might account for that glum look they gave me. The hon. gentleman will see at a glance that it would never do to give away these state secrets.

Mr. COPP: Does the department furnish rifles to home guards?

Major General HUGHES: No. In one or two places where there were ten or fifteen old rifles I understand that the quartermaster general allowed these associations to make use of them.

Mr. COPP: The reason I asked was because I have received a communication from a gentleman in my home town who is trying to form a home guard. He said that he had been unable to get rifles, but wished to continue the organization, and I thought perhaps the department might supply them.

Major General HUGHES: I am sorry we are not able to furnish these. What town does my hon. friend refer to.

Mr. COPP: Sackville.

Mr. C. A. WILSON: Will the minister's answer be the same with regard to the home guard of Montreal?

Major General HUGHES: The home guard of Montreal is well armed, they have splendid rifles.

Mr. A. K. MACLEAN: Is the permanent force at Halifax in the same barracks, in many cases, as the contingents?

Major General HUGHES: No, the permanent force is in the Wellington barracks.

Mr. MARCIL: Can the minister give us an idea as to the number of volunteer organizations that have been formed since the outbreak of war? I know one has been created in Montreal.

Major General HUGHES: The hon. member does not mean contingents for overseas, but organizations for militia purposes?

Mr. MARCIL: The new volunteer organizations that have been authorized. There is talk of forming one in my own constituency, and that is why I am interested.

Major General HUGHES: There is one in Toronto, two in Montreal, one in Hull; I do not recall any more. I shall be very glad for the Government and the House to support the organization of a regiment in the county of the hon. gentleman. I imagine that the two counties, Gaspé and Bonaventure, could together form one battalion. Amherst has an organization. I should also like to see city regiments in Sydney and Moncton. We have had these plans on hand for some time, but have not been able to prosecute them on account of the cost.

Mr. A. K. MACLEAN: Is the strength of the Canadian permanent force greater today than before the war?

[Mr. Copp.]

Major General HUGHES: I have not the exact figures, but I think the permanent force is slightly greater. The Royal Canadian Regiment is now kept up to full strength, and in fact nearly all the corps, whereas in times of peace they were not.

Mr. GRAHAM: I should like to ask a question about cadet corps. A good many towns in Canada are largely interested in these corps, which include the younger boys in a great many families. Many of these companies have been complimented by the commanding officers as being more efficient in drill than the regular companies. The cadet corps of course have nothing to do with the Boy Scouts; they are two different things altogether. Could the minister tell us how many cadets we have in these corps, and whether any have supplied volunteers for the front and, if so, how many? I take a great interest in these cadet corps. I think they are splendid organizations.

Major General HUGHES: I agree with my hon. friend thoroughly. I was very reluctant to reduce the vote for this purpose, but we felt that we should cut down a little the amount for the junior cadets this year, although we have an item in the Supplementary Estimates to keep things going. I think the cadet corps is one of the most important factors in our militia force. I understand that about 100 boys who have been trained in cadet corps have gone to the front with the Seaforth Highlanders of Vancouver and Victoria, and at the front there will be about ten to fifteen thousand boys who, within the last three years, have trained as cadets. A good proportion of the officers relatively are from the ranks of these associations, and they make excellent officers. I remember seeing a bunch of young lads at Salisbury Plains standing off from the headquarters. I went over to them, ten or fifteen bright, handsome fellows from the Mount St. Louis Institute in Montreal, and no regular soldier ever handled himself better than these boys when they marched around the field, and the officer said they were just as good in drill. A good many cadets have gone to the front with the Highlanders of Montreal and Vancouver, and a good many from St. Catharines. I have been more than proud to see the splendid results of the cadet training in the boys actually going to the front.

Mr. GRAHAM: I am glad to hear of that. In the casualty list a day or two ago, were the names of two boys from Renfrew and one

of them, perhaps both, had previously been in the cadet corps in that city. Then in the casualty list published last night was the name of a young man now of Montreal, but formerly of Brockville, and I think he first trained in the Brockville cadet corps. My hon. friend from Brockville (Mr. Webster) and myself are both great friends of his father. This young man went with the Highlanders from Montreal.

Royal Military College, $160,000.

Mr. EDWARDS: Before this item carries I want to place on Hansard a few remarks which I am sure will be agreeably received by members on both sides of the House. I may be excused for doing it, inasmuch as the Royal Military College is situated in a portion of the country which I have the honour to represent. I want to call the attention of the committee to the splendid service which these cadets have given to the country, and the fine spirit they have manifested since this war broke out. In June, 1914, at the close of the college session, 38 cadets graduated from the Royal Military College, and of these two took imperial commissions, two took commissions in the Canadian permanent force, and all of the remainder of the class of graduates entered units of the Canadian militia, and are now on active service either in Canada or abroad. On the outbreak of the war, on the 4th August last, the War Office offered twenty imperial commissions to Royal Military College cadets, and those to whom the commissions were given were selected from the class which had recently graduated and the senior class expected back in September of that year. The twenty commissions were eagerly accepted I might almost say they were quarrelled over, so eager were the cadets who offered themselves for service. These cadets were gazetted to their positions on September 16, 1914. When the Royal Military College opened on the 1st September last, practically every cadet wanted to go to the war, and it was very difficult to make a selection without hurting the feelings of those who would necessarily be left behind. Many of the students who are at the college for the first time wanted to go, but having had no previous military training, this was out of the question. An army class was formed, and was conducted from the 1st September until the Christmas vacation, and the following cadets received commissions, namely: Imperial army, 49, including the 20 that I have already mentioned; Canadian permanent force, 29; oversea contingents, 25, or a total of 103. I have here the nominal roll of gentleman cadets, including the graduating class of 1914, who have taken commissions since the outbreak of the war, August 4 to December 31, 1914. I am sure it would be of interest to all the members of the House, and as I do not want to take up the time of the committee by reading it, I will ask their consent to having it placed upon Hansard:

Royal Military College of Canada.

Nominal roll of Gentlemen Cadets, including the Graduating Class of 1914, who have taken Commissions since the outbreak of the war, August 4 to December 31, 1914.

Imperial Army.

Name and Regiment.

Arthur Leonard Bishop, Middlesex Regiment.
Albert Collum Brooks, Royal Engineers.
Harold Gustave Francis Greenwood, Royal Engineers.
William Francis Howard Tidswell, Royal Field Artillery.
Edward Davey Ashcroft, Royal Engineers.
Archibald Gorden Dobbie, King's Own Scottish Borderers.
Arthur Hope Stratford, Bedfordshire Regiment.
Hugh Ethelred McCarthy Ince, Royal Field Artillery.
Leonard Alexander Reid, Lancashire Fusiliers.
Charles Hamilton Palmer, Royal Irish Rifles.
Patrick Alexander Ogilvie Leask, Royal Irish Rifles.
Ernest Denison Black Oxley, North Staffordshire Regiment.
Allen Dixon Walker, Lincolnshire Regiment.
Norman Cummings Nelles, Northampshire Regiment.
Cyril Gordon Dodwell, East Lancaster Regiment.
Herbert Stopford Maunsell, R. Warwickshire Regiment.
Harold Oswald Day Wilkins, Bedfordshire Regiment.
Archibald McGoun, King's Own Lancaster Regiment.
Henry Herrick Ferguson-Davie, The Cameronians (Scottish Rifles).
Miles Wheelton Brown, Leicestershire Regiment.
Geoffry Swaby Ridout, Royal Engineers.
Samuel Davis, 1st King's Dragoon Guards.
Richard Eric White, Royal Field Artillery.
Edward Amherst Forbes Hale, Royal Field Artillery.
Sidney Ford Fisken, Royal Field Artillery.
Robert Alexander Shearer Adair, Bedfordshire Regiment.
Geoffrey Holmes, Royal Field Artillery.
Francis John Plunkett Gibson, Royal Engineers.
Ernest John Denis Townesend, Royal Filed Artillery.
Henry Taylor Genet, Royal Engineers .
George Evelyn Tinling, East Lancashire Regiment.
Eric Dudley Carruthers, Royal Field Artillery.
Harry Adrian Roberts, Royal Field Artillery.
Henry George Anderson Giles, Royal Field Artillery.
James Howard Scott, Army Service Corps.
George Raleigh Parkin, 6th Service Bn., York and Lanc. Regt.
Charles Beverley Robinson MacDonald, Royal Engineers.

Henri de Lotbinière Panet, Royal Engineers.
Frederick Graeme Avery, Royal Engineers.
Thomas Gordon Fawcett, Royal Engineers.
Reginald Waring Lindsay Crawford, Royal Field Artillery.
Roland Osborne Bull, Royal Field Artillery.
Richard Roland Brown, Royal Field Artillery.
Frederick Pole Daw, Worcestershire Regiment.
Kenneth Sanderson Torrance, Manchester Regiment.
Allan Munroe Mitchell, Army Service Corps.
Robert Maitland Roy, Indian Army.
Douglas Miller Ham, Indian Army.
Ronald Hope Kidd, Royal Field Artillery.

Canadian Permanent Force.

Name and Regiment.

Robert Lawrence Smyth, Royal Canadian Artillery.
Cecil Randoph Sircom, Canadian Ordnance Corps.
John Henry McQueen, Canadian Ordnance Corps.
Ralph Otter Geoffrey Morton, Royal Canadian Artillery.
Henry Vernon LeMesurier, Royal Canadian Dragoons.
James Duff Stuart, Lord Strathcona's Horse (R.C.).
Hugh Esme Eric Cochran, Royal Canadian Dragoons.
John Henry Boulter, Royal Canadian Dragoons.
Donald Archie Grant, Royal Canadian Dragoons.
Alaistair John Crerar, Royal Canadian Dragoons.
William Hugh Wardrope, Royal Canadian Dragoons.
Percy Clarence Fauquier Arnoldi, Royal Canadian Dragoons.
William Otway Boger, Lord Strathcona's Horse (R.C.).
John Garnet Tatlow, Lord Strathcona's Horse (R.C.).
David Whitney MacKeen, Royal Canadian Artillery.
Andrew Rodgie Stewart, Royal Canadian Artillery.
William Edward Reginald Millar Stone, Royal Canadian Artillery.
Harold Oswald Neville Brownfield, Royal Canadian Artillery.
Stuart Vernon Cooke, Canadian Ordnance Corps.
Harold Alexander Campbell, Canadian Ordnance Corps.
Robert Hamilton Harrower, Lord Strathcona's Horse (R.C.).
Walter Findlay Clarke, Royal Canadian Artillery.
Edward Ross Lethbridge, Lord Strathcona's Horse.
Gordon Byron Howard, Canadian Ordnance Corps.
Arthur Weston Ahern, Royal Canadian Artillery.
Gerald Percy Strong, Royal Canadian Engineers.
William James Whitehead, Royal Canadian Dragoons.
Ernest Hugh Simpson, Royal Canadian Regiment.
William Travis Sapte, Royal Canadian Regiment.

Canadian Overseas Contingents.

Name and Regiment.

Norman Haliday Macaulay, Canadian Field Artillery.
Gordon Thompson Cassels, Canadian Field Artillery.
Philip Waldron Cook, Canadian Field Artillery.
William Avery Bishop, 9th Missisauga Horse.
Travers Frederick Williams Taylor, 5th Royal Highlanders.
Harold Stratton Matthews, Canadian Field Artillery.
Francis Fysche, Canadian Field Artillery.
John Stewart Barclay Macpherson, Canadian Field Artillery.
Franklin Sharp Rankin, Canadian Engineers.
William Henry Victor Vander Smissen, 3rd Infantry Battalion.
James Kerr Cronyn, 3rd Infantry Battalion.
James Alexander Dennistoun, 6th Infantry Battalion.
Charles Bruce Pitblado, 13th Infantry Battalion.
William Hamilton Shoenberger, 14th Infantry Battalion.
Charles Vivian Fessenden, 14th Infantry Battalion.
Nicholas Arthur Sparks, 9th Infantry Battalion.
Francis Malloch Gibson, 14th Infantry Battalion.
William George Kerr, 18th Infantry Battalion.
Eric Ogilvie McMurty, 24th Infantry Battalion.
Blythe Dupuy Rogers, 6th Fd. Co'y. Canadian Engineers.
Arthur Hawley Archibald Morphy, 24th Infantry Battalion.
Harry Scott Parker, Canadian Field Artillery.
John Alexander Ross, 24th Infantry Battalion.
Bronard Hunter Tyndall Mackenzie, 24th Infantry Battalion.
Donald Edward Allan Risper, 24th Infantry Battalion.

Grand total, 103.

Every member of this House is interested in the Royal Military College because every province is represented, and worthily represented, by students attending that institution. There are in the Imperial Army list the names of regiments which have become famous in the past, and I venture to say that their fame will not be lessened, but will be enhanced because of the addition to their ranks of the cadets of the Royal Military College. We know that since the war broke out several students of the Royal Military College who have gone to the front have distinguished themselves by their valour, and have shed added lustre upon the regiments with which they have become identified. Of all the cadets who were eligible for commissions on the 1st September, 1914, 66 volunteered and were accepted. That represented 77.6 per cent of the attendance at the college, and it is only fair to those who make up the other percentage to say that if they were not included in the 77.6 per cent every one of them wished to join and would have liked to have gone but for various family or other reasons they could not do so. Very many of these obstacles have been removed and the acting commandant of the Royal Military College assures me that fully

50 per cent of the remainder of the students will likely obtain commissions at the end of the current term.

The attendance at the Royal Military College is restricted. That, I presume, is on account of the accommodation. Only a certain number of pupils can be taken by the college in any one year, but at the first of this present year they took in 28 additional students in order to fill up the vacancies created by those who have gone to the war. There are 88 cadets in attendance at the college and every one would like to go to the war. The War Office places certain restrictions upon them. They must be of a certain age and they must have been at the college for a certain length of time before they will be allowed to go. I want to pay a tribute to the acting commandant of the Military College at the present time.

Mr. GRAHAM: Name.

Mr. EDWARDS: Lt.-Col. Perreau. He has taken a very deep interest in the students and in the welfare of the college, and the results of his work are seen in the rapid progress which the students are making in their studies. I want to pay a tribute to the gentleman who was the commandant of the college immediately preceding Lt.-Col. Perreau. I refer to Col. Carleton. It was a decided acquisition when his services were obtained for the Royal Military College. No finer gentleman ever set foot in the Dominion of Canada. It was a decided loss to the college when he was requested to go overseas and accept another position in connection with the present war. I hope the time will come when he may return to Canada as commandant of the college. He did much for the college in the short time he was there. As I have said, every part of Canada is entitled to feel proud because of what has been, and is being, done at the Royal Military College, because its students are drawn from every province in Canada and they are reflecting credit on all the provinces from which they come, as well as the college they are attending. We have reason to be proud of the Royal Military College and its past record, and we have every reason to look forward to its record in the future.

Right here I want to say a word. I have visited the college, in connection with which there are several buildings, and I must say that I do not think the class-rooms at the present time are what they should be. The students are packed almost—I was going to say like sardines in a box, but not quite so closely as that—but the accommodation is entirely inadequate. If any hon. gentleman wants corroboration of that, I would like him, whenever he is in Kingston, to go over and visit the college for himself, and if he does I am sure he will agree with what I say. Additional dormitories have been provided and that is a move in the right direction. We have a good class of professors, everybody in Canada is proud of the college and its past record, and is desirous of keeping up that record, and the teaching staff and students should be encouraged by giving them proper classroom accommodation. I do not know whether there is any portion of this vote that is to be set aside for this purpose or not, but I do say that, at the earliest possible moment, the buildings where the class-rooms are located ought to thoroughly renovated and the students given the accommodation which they are entitled to. There is every reason why this should be done. The Royal Military College has been called the "West Point of Canada." It is the only military college we have in Canada, every part of Canada is interested in the college and its work, and I am sure it is interested in the accommodation of the college and the appearance of the buildings and grounds. That is partly the reason why I have advocated very strongly with the present Government, as I did with the past Government, that the roads around, and in the vicinity of, the college, should be fixed up and put in proper condition, so that people who visit that part of the country will not have to pass through mud holes in going to or coming from the college. Any person, especially from the United States, or a foreign country, visiting Kingston, invariably crosses over the bridge and visits the college, because it is the only military college we have in the country.

If they pass over good roads and through fine grounds, it is something to our credit. If they pass through mud-holes and over grounds indifferently kept, it is to the discredit not only of that part of the country, but of the whole of Canada, because we are all interested in that college, no matter from what part of Canada we come. I hope the minister and the officials of his department will give this matter of increased accommodation in the class-rooms their serious and earnest attention. I am not desirous of seeing any money thrown away; but I feel proud of the fact that that college is in a corner of my county. I am proud of the work it has done in the past and of the work

it is doing, and I am sure those hon. members who have visited the place and who have listened to the record that I have placed upon Hansard, will agree with me that the college ought at least to receive every possible consideration at our hands.

Major General HUGHES: I agree with every word that has fallen from the lips of the hon. member. I am sorry that the condition of finances at the present time does not justify us in placing in the Estimates a sum to meet the requirements as set forth by the hon. member for Frontenac (Mr. Edwards). I fully appreciate all that he has said regarding the splendid service of those young cadets and of the graduates. Not only from the present classes, but from the classes of by-gone days, they have turned out in splendid numbers. Among the lists of officers, not only in the Imperial service, but in our Canadian service, are to be found scores upon scores of those splendid young fellows. Already I can recall two who have given their lives for the Empire, young Denison and young Ellis, both splendid lads who graduated from that college.

Mr. NICKLE: And Carr-Harris.

Major General HUGHES: Yes. I regret that we are not in a position to give what that college really needs, that is a new set of class-rooms, because the present ones are entirely inadequate. I join most heartily in the words of eulogy that have been uttered regarding Lieut.-Col. Perreau, the commanding officer. Those who know him will give him every credit. He deserves a great deal of credit because he is a young officer of distinction who was most anxious to go to the front and who, if he had done so, and if he had come through safely, would have risen very high in the Imperial service for his magnificent conduct in action. This young officer was left in charge, and he has fully justified the confidence placed in him. I am sure I am voicing the sentiments of all who know that institution.

Militia and Defence—Salaries and wages, $235,000.

Mr. MACDONALD: There is considerable feeling in Prince Rupert in regard to the disbandment of the corps that existed there. I think it was drawn to the attention of the minister last year. A further complication arose during the present year. The department wired to the Commanding Officer of the original corps in regard to recruiting. The facts, as they have been submitted to me, are that this corps existed at Prince Rupert, known as the Earl Grey's Own Rifles. The authority to organize the corps was given in 1910. It is represented that at the inspection of 1913, after four annual inspections by four different inspecting officers who commended the offi ers very highly, the District Commanding Officer said that he was going to recommend to Ottawa that the corps be reorganized as a four-company city corps. The department at Ottawa acted on the advice of the District Officer Commanding, and were proceeding to carry out that idea. Letters of instruction to that end were given to the Commanding Officer of the Earl Grey's Own Rifles, and there was considerable enthusiasm over the organization and extension of the corps; but there were apparently some local reasons from some envious sources that caused some questions to arise—that is as the case is represented to me—and an Order was sent from Ottawa disbanding the corps. On the disbandment of the corps, a public meeting was held to denounce the action of the local parties who, it was alleged, had made the representations. After the corps had been broken up and the arms and equipment sent back to Victoria, war broke out. A Fusilier corps was sent to protect the city, and they are still on the job. Then an attempt was made to reorganize the regiment. That went on during the late autumn. The consequence was that, by reason of the disbandment of the corps known as the Earl Grey's Own Rifles and the confusion that was occasioned thereby, the military interest in the community was considerably disorganized and a great deal of feeling resulted. I would like the minister to state his views in regard to this matter and say whether the representations that have been made to me are correct or not.

Major General HUGHES: There was some difficulty in connection with the organization in Prince Rupert some two or three years ago. I will not enter into the details of the causes, because I have heard them set forth by my hon. friend at different times. I cannot pretend to solve the difficulty by repeating them. There is nothing to be hidden so far as I am connected with the matter. It was, I think, a one-company corps and it was disbanded for the purpose of reorganization. My recollection is that it was re-organized, because while I was looking at the troops at Victoria, I met a number of the officers both in the Victoria regiment and in the Vancouver regiment who came from that corps.

I remember two or three of the leading officers. I think the matter is pretty well settled now, and that they are all doing their duty. If the hon. member wishes me to look up the matter, I will do so and bring down the information to-morrow.

Mr. MACDONALD: Here is a letter published in 1914, a year ago:

I have the honour, by direction, to inform you that a general order authorizing the disbandment of Earl Grey's Own Rifles with a view to re-organization as a four-company city corps will be issued shortly. The present officers of this corps will be placed on the reserve of officers.

It is complained by those men, who were in the Earl Grey's Own Rifles, and who gave considerable energy and enthusiasm to the success of that organization, that they were not placed on the reserve of officers; that they are not now on the reserve, and that they were completely and absolutely disregarded.

Major General HUGHES: Might I point out to the hon. member that it is the usual custom, when a regiment is disbanded for re-organization to place the officers on the reserve. Otherwise they would be put out entirely. It is only a temporary step. Then those who choose to come in can come into the new organization. The matter is fairly well settled now.

Mr. MACDONALD: That is not the representation that has been made to me. Here is a letter written under date of February 19, 1914:

In reference to your letter of February 10th advising me of the proposed disbandment of Earl Grey's Own Rifles, and also in regard to your general order of February 12th respecting recommendations submitted to headquarters for the retirement or removal of officers from Canadian militia, I beg to say that Lieutenant McMordie, Lieutenant Agnew and myself have no desire to be removed from the active militia. I hold a field officer's certificate issued in 1907, No. 12811, and Lieut. McMordie holds a captain's certificate, April 15, 1912, No. 2343.

I would be pleased to be informed as to why these removals are being made and upon which officer's recommendation these changes are being considered.

I know of no cause or reason for this being done.

I have the honour to be, sir,

Your obedient servant,

Alfred Stork,

Capt. E.G.O.R.

He alleges that to that letter no reply was received.

Major General HUGHES: To whom was it addressed?

Mr. MACDONALD: The District Officer Commanding Military District No. 11, Victoria. Then on the 29th of April:

Instructions have been received this day from Ottawa per the District Staff Adjutant M.D. No. XI, for the withdrawal of all arms, ammunition, clothing and equipment from the unit under your command.

Will you therefore kindly return all stores to the Ordnance Officer M.D. No. XI, Esquimalt, B.C., and mark all cases "Freight collect."

Please give this matter your early attention.

This was done. It is asserted that the disorganization of the military conditions in Prince Rupert, the disbandment of the Earl Grey Rifles, and the displacement of the men who had taken an interest in this matter and had done a great deal in military work, was due to representations of local politicians and not to any desire to further the militia interest of the district. The minister intimates that something has been done in regard to the matter. I happened to meet Captain Stork who I know personally—

Major General HUGHES: Is that the gentleman who went to the front?

Mr. MACDONALD: I do not know. This information came to me over a month ago and did not come direct from him. It is claimed that discrimination was shown in regard to the acceptance of men in the district.

Major General HUGHES: I remember that when the first contingent was organized the Prince Rupert people were not called on. The officers at the coast did not accept the contingent from Prince Rupert; they said they felt that that small community required all the men that could be mustered there to prevent raiding. And I understand they had to be supplemented by soldiers from Vancouver, the Fusiliers. But when the second contingent was sent—the hon. gentleman, no doubt, saw them while in Ottawa—there were, I think, 300 men from Prince Rupert. I know there were a number of officers, because I spoke to them and congratulated them on their splendid appearance. I understood that whatever little friction there had been at first had all been overcome when the war began, that the boys forgot their local differences in the great issue before the country.

11 p.m.

Mr. MACDONALD: The peculiar thing is that these instructions were sent to Victoria

after the company was disbanded and before the efforts made at reorganization. Under these instructions Captain Stork was to enlist men. He had enlisted about a hundred when instructions came to him to stop, throwing the whole work into confusion.

Major General HUGHES: I think that this was because of fear of a raid.

Mr. MACDONALD: But the recruiting was taken from him and placed in the hands of another party.

Major General HUGHES: I have no record of that. It came from Victoria. Of course, I do not carry all these things in my mind. If the hon. gentleman wants the facts and will come to the office we will be glad to give them.

Mr. MACDONALD: I can hardly go there and be at the committee investigating the purchase of boots at the same time.

Major General HUGHES: I am at the office at eight o'clock, and shall be glad to see him then.

Mr. MACDONALD: The hon. gentleman is too generous. As to the number of men who were under arms in British Columbia in various military services, I may say that there seemed to be a great need of men. Something like 4,000 men were kept under arms, not for the purpose of going to the front but for local purposes. And they were so kept under arms for quite a long time. I would like to get the exact cost.

Mr. CARVELL: And to what account it was charged.

Major General HUGHES: We will try to get that. The hon. member will understand that British Columbia is an isolated province, and that it controls our greatest highway. One charge of dynamite properly placed and set off might prevent the crossing of any train from coast to coast for three months. At the time when there was a talk of trouble between the Japanese and the United States people, the United States Government wakened up to realize that every bridge along their transcontinental lines, every pass and tunnel, could be blown up, and probably would be blown up, if trouble should arise. They realized that it would take them at least nine months to repair these bridges, passes and tunnels so that one train could cross. Realizing that the railway through the mountains is in this regard a national asset, we have been guarding it through the mountains and at all exposed points along the way. Then, as to the soldiers at Prince Rupert, all these isolated and important points, Esquimalt, Halifax, Victoria, had to be guarded, especially when fear existed of activity of submarines.

Mr. MACDONALD: Was the cost of maintaining these men and services part of the war debt, or was it charged to local militia charges?

Major General HUGHES: It is part of the war debt.

Mr. MACDONALD: Would the minister be good enough to bring down a statement of the number of men and the cost?

Major General HUGHES: I am not sure that we have the figures of cost, but the numbers are given. However, we will endeavour to get the information.

Mr. MACDONALD: The minister's offer to receive me at his office in the early morning is a seductive proposition, but I am afraid I can hardly intimate to him that I can accept it in these strenuous days.

Militia and Defence—schools of instruction, $140,000.

Mr. GRAHAM: Where are these schools?

Major General HUGHES: In the large local centres we have provisional schools of instruction as well as regular schools. In almost every large town in the country we have schools for training officers. There are also schools in connection with the universities.

Mr. GRAHAM: They pass the examinations at the local schools?

Major General HUGHES: Yes. They have what is called a war class at the Royal Military College now.

Mr. COPP: Will the minister tell the committee what arrangements have been made with colleges with regard to military training? I refer particularly to Mount Allison University.

Major General HUGHES: Nearly all universities in the country have formed what we call an officers' training corps. I should be glad to send the printed particulars to my hon. friend. Sackville already has one; they have a splendid cadet corps.

Mr. COPP: I understand that a gentleman by the name of Borden—a military official at Halifax; I do not know his title—is coming to Mount Allison to give military instruction to the students. I understand also that the Government has paid a cer-

tain amount for fixing up a building there for training purposes.

Major General HUGHES: We are furnishing instructors; I do not know whether or not we fitted up a hall. I will look into the matter.

Mr. MACDONALD: Will the minister give the committee some information with regard to a special corps that is being organized, under the auspices, I think, of the Canadian Pacific Railway? I have a telegram here from three boys in my county who want to volunteer for enlistment in this corps, but who do not know how to go about it.

Major General HUGHES: The corps is being organized under the leadership of Colonel Ramsey, chief engineer of the Canadian Pacific Railway. I think the corps is to consist of 500 men. Applications may be sent to Colonel Ramsey at Montreal.

Mr. MACDONALD: What is the title of the corps?

Sir ROBERT BORDEN: It is a railway engineering corps, I think.

Major General HUGHES: Applications may be addressed to Col. Ramsey of the Overseas Railway Engineering Corps. Inasmuch as I suggest that the boys may send their applications to the hon. member for Pictou, who can forward them to Col. Ramsey.

Mr. MARCIL: What is the corps which is being organized by Mr. Janin, former city engineer of Montreal?

Major General HUGHES: That is an engineering corps; they may be seen at any time at the exhibition grounds. We mobilized a brigade of artillery some weeks ago. Some hon. gentlemen had the privilege of seeing them in front of the buildings this afternoon. One company section of about 80 men was made up of third and fourth year men from the University of Toronto. A finer lot of soldiers it would be hard to find; their marching was almost equal to that of the old regulars, although they have been organized only three weeks. I suggest to all hon. gentlemen that they pay the boys a visit; it would be a source of great pleasure and inspiration to them.

Mr. MARCIL: Have the companies from McGill University gone to the front?

Major General HUGHES: Some have gone, others will go.

Mr. GRAHAM: I was informed last night that Col. Ramsey had not obtained his full complement of men for the engineering corps of the Canadian Pacific Railway. Some of these young men have had experience in railway engineering work, and from what I heard from a Canadian Pacific Railway man last night, Col. Ramsey is going to have a magnificent corps. The minister has to be in his office at eight o' clock in the morning, and in order that he may be good-natured when he gets there I suggest that we pass item 96 and leave 97 and 98—in respect of these some hon. gentlemen wish to make comment or to ask questions—and then adjourn.

Major General HUGHES: All right.

Sir ROBERT BORDEN: I agree with what the hon. member for South Renfrew said about the engineering corps; I think it is going to be a very fine corps. I may say, in addition to the explanation given by the Minister of Militia—I know something of this, having been Acting Minister for a time—that it was suggested from this side in October last that we have in Canada a number of very capable railway engineers and railway contractors, men accustomed to doing things quickly, whose services might be very valuable indeed in connection with the rebuilding of railways that had been destroyed in the course of the war. At that time it was not thought that they were needed, but later—I think it was in February—we received an intimation from the War Office that they would be very glad if such a corps could be organized in Canada. We got in touch with some of the large railway corporations, and eventually it was left to Colonel Ramsey who, I understand, is a very capable man, to undertake the organization of this corps. It was thought that by reason of his knowledge and experience he would be able to do this work more effectively than if it were done by the department itself. The matter, therefore, has been left entirely to him, and from what I have heard of the progress which has been made in organizing the corps, it promises to be a most excellent body of men; I have no doubt that they will do excellent work when they get to the front. The Minister of Militia informs me that applications for enlistment in this corps will be received at the office of any divisional superintendent throughout the country.

Progress reported.

On motion of Sir Robert Borden the House adjourned at 11.10 p.m.

Friday, March 26, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

WAR SUPPLIES—CONTRACT OF E. POWELL.

Mr. H. B. MORPHY, acting chairman of the Public Accounts Committee, presented the third report of said committee, as follows:

Your committee ask leave to submit to the House the evidence taken in respect to the contract for supplies purchased from Mr. E. Powell, and to express their opinion that the contracts for such supplies do not appear to have been so worded as to fully protect the public interests.

Your committee therefore recommend that the evidence adduced and all papers connected therewith be referred by the House to the Department of Justice for any further investigation, if necessary, for the recovery of any moneys overpaid, the holding back of any moneys not yet paid over, and the taking of such further action as may be warranted by the facts.

And your committee herewith transmit the evidence taken and all papers which came under their view, in connection with the contract with Mr. E. Powell.

HOUSE OF COMMONS.

APPOINTMENT OF OFFICIAL.

Sir ROBERT BORDEN: I desire to move:

That the recommendation of His Honour the Speaker laid upon the table of the House on the 23rd instant, respecting the appointment of Mr. Robert P. King to the position of chief clerk of Journals, Votes and Proceedings and Orders, be concurred in.

It might be proper that I should read a communication from the Clerk of the House to His Honour the Speaker in respect to the resignation which makes this motion necessary:

To the Honourable
The Speaker of the House of Commons:

Sir,—I beg to report that the resignation and application for superannuation of William C. Bowles, I.S.O., chief clerk of Journals, Votes and Proceedings and Orders of the House of Commons (English section) has created a vacancy in that position, to which your Honour has promoted Mr. Robert P. King, clerk of Votes and Proceedings.

Mr. Bowles has served the House of Commons nearly fifty years, during many of which he has acted as chief of the above office, in which his great ability, long official experience and remarkable industry were highly appreciated by yourself and by your predecessors in the Speakership as well as by all who came into official relations with him. His retirement, owing to ill-health, is much regretted.

[Sir Robert Borden.]

Mr. King has served in the same office as assistant to Mr. Bowles for nearly thirty years and he is peculiarly well qualified for the position.

The grade assigned to the office in the organization of the House is that of subdivision A of the first division. I have received and placed on file the certificate of qualification for the above grade, required by the Civil Service Act, issued to Mr. King by the Civil Service Commission.

As Mr. Bowles' resignation takes place on the 31st day of March, it is desirable that Mr. King's promotion take effect on the following day at the minimum salary assigned by the Act to subdivision A of the first division.

I am, sir,
Your obedient servant,
Thos. B. Flint,
Clerk of the House of Commons.

March 23, 1915.

I desire to express my entire concurrence in the appreciation of the services of Mr. Bowles, which is very suitably set forth in the letter from the Clerk of the House to His Honour the Speaker. Mr. Bowles has been an institution of the House of Commons ever since I have had the honour of being a member of it, and for many years before. Indeed, I believe that his total service to the people of this country, which he began in the first instance as a page in the House of Commons, exceeds sixty years, although he is not a very old man even at the present time. I deeply regret that the condition of his health compels him to retire. Parliament will lose the services of a very able and experienced public servant, and one whose whole career has been characterized by a strict devotion to duty, by unremitting industry and attention to all that concerns his office, and whose service throughout, so far as I have any knowledge of it, has been a credit to himself and to the House. It has always struck me that Mr. Bowles is of a type which reflects credit upon the Civil Service of Canada, and I hope that the example which he leaves behind him, after his long career in the public service, will be an incentive to those who take up the like duties or other duties in the service of the people of this country.

Sir WILFRID LAURIER: It has also been my privilege to have been acquainted with Mr. Bowles for a very long time—in fact, something like forty years, and I can bear testimony to everything that has been said by the Prime Minister with regard to his fitness, devotion to duty, and high character. His loss will be a loss to the whole service, and he certainly leaves it with the best wishes that it is possible to offer him.

Mr. King I do not know so well, but from what I do know of him I think he is very well qualified to be the successor of Mr. Bowles.

Motion agreed to.

PRIVATE BILLS.

CERTAIN RULES SUSPENDED.

Mr. LANCASTER: I beg to move:

That owing to the advanced period of the session, Rule 28a, paragraph a, subsection 3 of Rule 89, subsection 1 of Rule 103, and Rules 114 and 115 relating to Private Bills be suspended for the remainder of this session, in accordance with the recommendation contained in the tenth report of the Select Standing Committee on Railways, Canals and Telegraph Lines.

I might say in support of the motion that this was moved yesterday by the hon. member for North Ontario (Mr Samuel Sharpe), chairman of the Committee on Miscellaneous Private Bills, and recommended both by that committee and the Committee on Railways, Canals, and Telegraph Lines. I could read the rules we are suspending, but it is sufficient. I think, to say that they are those which make it necessary to go through formalities which entail delay, and if we are going to prorogue at the time contemplated, we would not be able to put these Bills through unless the motion is carried.

Sir WILFRID LAURIER: How many Bills are there?

Mr. LANCASTER: There are two or three for the Railway Committee, and I understand there are a number for the Miscellaneous Private Bills Committee.

Mr. SPEAKER: The rules to be suspended by this motion are: 28A, in reference to Bills originating in the Senate being placed on the Order Paper for first reading, which sometimes causes a delay of one or two days; rule 89, subsection 3, which says that when any rule is suspended in reference to a Bill the fee for such suspension is $100, and as the parties promoting the Bills are not in fault, it was thought a hardship to impose this fine; rule 103, subsection 1, which says that the committee cannot consider a Bill originating in the Senate until notice has been posted up twenty-four hours; rule 114, which says that Senate amendments to Private Bills, if important, must be sent to the Standing Committee before second reading; and rule 115, which says that no motion for the suspension of a rule applying to Private Bills shall be entertained unless recommended by the Committee on Standing Orders or some other committee.

Sir WILFRID LAURIER: I understand from your statement, Mr. Speaker, that if there is any fault it is not the fault of the persons applying for the Bills, who in all cases have made due diligence.

Mr. SPEAKER: Yes.

Sir WILFRID LAURIER: In such circumstances the motion should pass.

Sir ROBERT BORDEN: One of the main considerations for the rules of the House is, that due public notice should be given in respect to all these applications, and, as I understand it, this motion does not cut down in any way the notice which is required to be given.

Mr. LANCASTER: That is not affected by this motion.

Sir ROBERT BORDEN: The motion relates merely to the procedure of the House and the suspension of some rules which involve delay.

Mr. LANCASTER: Yes, as between the two Houses.

Sir ROBERT BORDEN: I think the motion might very well pass at the present time, inasmuch as the persons who have these Bills before Parliament have not been guilty of any default.

Motion agreed to.

DOMINION ELECTIONS ACT AMENDMENT.

QUALIFICATIONS OF CANDIDATES.

Mr. EDMOND PROULX (Prescott) moved for leave to introduce Bill No. 94, to amend the Dominion Elections Act. He said: This Bill purposes to amend section 70 of the Dominion Elections Act, so as to conform with the amendment which I proposed last week to the Act respecting the Senate and the House of Commons. As the law is at present, no person is qualified to be a candidate while he holds or enjoys a contract, express or implied, with the Government, or with any officer of the Government. I wish to widen the scope of this clause and to include any person who, during the time he is a director of, or holds, either directly or indirectly, a controlling interest in any incorporated company having a contract or agreement, expressed or implied, or any unsatisfied claim arising therefrom with or

for or against the Government of Canada, on behalf of the Crown, or with or for or against any of the officers of the Government of Canada for which any public money of Canada is to be paid. The purpose of the amendment is to further secure the independence of candidates from the Administration of the day, which has the distribution of patronage and the awarding of contracts, often without public tenders, and at the same time safeguard the public interest.

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

DOMINION NOTES BILL.

On motion of Hon. W. T. White (Minister of Finance), the House went into committee, Mr. Sevigny in the Chair, to consider the following proposed resolution:

Whereas, for the purposes set forth in Orders in Council of date the fifth day of September, 1914 (P.C. 2325), the twenty-sixth day of September, 1914 (P.C. 2450), the twenty-fourth day of October, 1914 (P.C. 2670), the twentieth day of November, 1914 (P.C. 2921), and the sixteenth day of December, 1914 (P.C. 3170), and pursuant to said orders, advances to the amount of ten million dollars ($10,000,000) in the form of an issue of Dominion notes were made to the Canadian Northern Railway Company, against a pledge by the company of its guaranteed securities issued in pursuance of the provisions of "The Canadian Northern Railway Guarantee Act, 1914," by placing the sums so advanced to the credit of the Minister of Finance for payment out under the provisions of the trust deed securing the issue of these securities;

And whereas, for the purposes set forth in Orders in Council of date the fifth day of September, 1914 (P.C. 2326), the twenty-sixth day of September, 1914 (P.C. 2451), the twenty-fourth day of October, 1914 (P.C. 2671), and the twentieth day of November, 1914 (P.C. 2922), and pursuant to said orders, advances to the amount of six million dollars ($6,000,000) in the form of an issue of Dominion notes were made to the Grand Trunk Pacific Railway Company, against a pledge by the company of its guaranteed securities issued in pursuance of the provisions of "The Grand Trunk Pacific Guarantee Act, 1914," by placing the sums so advanced to the credit of the Minister of Finance for payment out and under the provisions of the deed of trust securing the issue of these securities;

And whereas, pursuant to an Order in Council of date the second day of November, 1914 (P.C. 2750), Dominion notes to the amount of ten million dollars ($10,000,000) were issued, in order that certain obligations of Canada might be met as they matured;

And whereas, with respect to the greater part of these issues of Dominion notes security in the form required by section 5 of the Dominion Notes Act, 1914, was not held;

And whereas, it is expedient in so far as such issues and the making of such advances and the taking of security therefor, and the agreements with regard to repayment of such advances require legal confirmation, that they be severally confirmed;

Therefore resolved, that it is expedient to provide that the issues of Dominion notes, and the advances made in pursuance of the Orders in Council cited in the preamble to this resolution and all things done under the provisions of the said Orders in Council be confirmed and be deemed to have been duly authorized.

Mr. WHITE: This proposed resolution relates to certain issues of Dominion notes, made by Order in Council, without special authority under the Dominion Notes Act or the Finance Act of 1914. The total amount of these issues is $26,000,000, of which $10,000,000 of notes were issued to the Canadian Northern Railway Company upon the security of $12,500,000 of Canadian Northern Railway Company debentures, guaranteed as to principal and interest by the Dominion of Canada; $6,000,000 to the Grand Trunk Pacific Railway Company upon the security of $7,500,000 par value of bonds of the Grand Trunk Pacific Railway Company, guaranteed as to principal and interest by the Dominion of Canada; and $10,000,000 issued in November last for the general purposes of the Dominion.

It will be helpful to the committee in the consideration of the resolution, if I make a statement of fact as to the circumstances connected with these issues. It will be recalled that, in the ordinary session of 1914, authority was granted by Parliament for the guaranteee of $45,000,000 par value of the Canadian Northern Railway Company's debenture stock and of $16,000,000 Grand Trunk Pacific Railway Company's bonds. So far as the Canadian Northern Railway Company's guarantee is concerned, the purpose of the legislation was to provide, through a sale of the guaranteed securities, for the construction, completion, equipment and betterment of the undertaking of the company. So far as the Grand Trunk Pacific Railway Company is concerned, the purpose of the legislation which authorized tne guarantee, as I have stated, of $16,000,000 par value of its bonds, was to enable the company to complete the western division of the National Transcontinental railway and to provide for the payment of certain interest upon underlying securities, and upon the guaranteed securities themselves for a period of three years from the date of completion of the western division. The trust deeds were prepared and executed in July last, in accordance with the legislation to which I have referred. Of the $45,000,000 of Canadian

Northern Railway Company's securities, £3,000,000 sterling were issued upon the London market in the week preceding the outbreak of the war, the net price realized being 91½, the issue price being, I believe, 94. The instalments of payments under that loan were spread over a period as is usual in such cases. The Grand Trunk Pacific had not succeeded up to the date of the outbreak of the war in selling any of the guaranteed securities in question. When this legislation was enacted at the last ordinary session of Parliament, it was the view of both Government and Opposition that it was desirable in the public interest that the two systems should be completed. The outbreak of war closed all international markets to issues of every kind, even to those of the highest character. The result was that both companies found themselves in the position in which they could neither sell nor borrow upon the guaranteed securities. So far as the Canadian Northern Railway Company was concerned, it found itself in the position that, by reason of the moratorium in the United Kingdom, it was unable to obtain payment of instalments as they matured under the issue to which I have referred, which was made early in August or at the end of July. I may say, further, for the information of the committee, in order to give it an idea as to the condition that prevailed in September last when the first two advances were made to the two railway companies in question, that the Grand Trunk Pacific Railway Company, after endeavouring to its utmost to obtain a loan in the United States, reported that it had been offered $1,000,000 for a very short period at the rate of interest of 10 per cent, and that that was all it would be able to obtain. It is proper here that I should call attention to the provisions of the Finance Act, which the committee will recall was passed at the August session. Under its provisions, banks were authorized to make advances upon securities approved by the Treasury Board. Those advances could be made by the Government, under the authority of the legislation in question, in Dominion notes to any bank making application, upon securities which would be acceptable to the Treasury Board. The position, therefore, as far as those two railways were concerned, was that if any bank in Canada had made either of them a loan upon those guaranteed securities which they were entitled to pledge, and if such bank had asked for an advance in Dominion notes from the Dominion Government under the Finance Act, the Government, of course, would have made the advance, because no question could possibly arise as to the security. The security which the railway companies could offer the banks, and which the banks in turn could offer the Government, would, of course, have been of the very highest possible character, because they were guaranteed as to principal and interest by the Dominion Government. In September last it was drawn to the attention of the Government by both railway companies that their bankers were unwilling to make advances to them upon the security in question for the amounts which they required to complete their construction work, which was then under way, on the ground that the amounts required were large, and that, having regard to the financial condition which existed, the banks were unwilling to extend their liabilities even to the Government, in case they had considered availing themselves of the provisions of the Finance Act, although the securities which they would receive upon the one hand, and which they would have been able in turn to offer the Government, were guaranteed by the Government itself, and consequently of an indisputable character. Both railway companies were requested by the Government to seek to obtain loans upon the securities, but they were unable to do so.

Mr. A. K. MACLEAN: From the banks?

Mr. WHITE: From the banks here, or in the United States or in Great Britain. My hon. friend will realize, though it is difficult to realize now, the exceedingly critical condition that prevailed immediately following the outbreak of the war. This was in September. The moratory legislation in England prevented our banks as well as outside banks from obtaining payment, even had they desired it, of deposits which they had with institutions in Great Britain. In this connection I may point out that in many cases companies, firms, and, I suppose, individuals in Canada, who had provided for credits in advance in order to meet maturing liabilities in Great Britain, found themselves in the position, by reason of the moratorium, of not being able to avail themselves of credits so established.

As I said, both railway companies were earnestly requested by the Government to obtain loans from Canadian banks, or in the United States or in Great Britain, but they were unable to do so. Both the Prime Minister and myself took the opportunity to

consult with the bankers of the railways concerned to ascertain that the statements made by the railway companies in this respect were correct. In the circumstances two alternatives presented themselves. The first was to allow the railway companies to shut down construction work and disband their organizations. This would have involved the dismissal of about twelve thousand men engaged in the construction work of both companies. It would have meant the loss to the contractors of their organizations. It would have meant also that the supply businesses engaged in furnishing material and provisions to these organizations would suffer heavy loss and the trade of the country would be seriously inconvenienced thereby. By reason of the fact that interest would continue to run against the companies, it would have meant also that the Government's own security under these mortgages and under former legislation with regard to both systems would be diminished and the date of their completion indefinitely postponed. The disbandment of existing organizations, of course, would have meant increased expense in assembling them at a later date for the purpose of completing construction. The other alternative was that the Government should make advances directly to the two companies upon their securities bearing its guarantee to ensure completion of their systems—that is, to effectuate the intention of Parliament in giving the guarantee. In giving the matter consideration it was borne in mind that Parliament, at the August session, had granted to the Government powers of a very far-reaching character under the War Measures Act of 1914, section 6 of which is as follows:

> The Governor in Council shall have power to do and authorize such acts and things and to make from time to time such orders and regulations as he may by reason of the existence of real or apprehended war, invasion or insurrection, deem necessary or advisable for the security, defence, peace, order and welfare of Canada.

Mr. McKENZIE: That would extend to company railway matters.

Mr. WHITE: I was coming to that a little later on, but may deal with it now. The Minister of Justice, I think, would be prepared to give his opinion—though it is not relevant, because I stated when the subject was referred to earlier in the session, that I did not propose to rely upon the War Measures Act—that if the Government considered the issue of these securities to be of public interest during the period of the war it would be open to the Government to make such issues. But, as I have stated, I do not intend to rely upon that. I refer to it only for this reason—to show that an exceptional condition existed and was recognized by Parliament in August last. For the War Measures Act would obviously not have been enacted under normal conditions. The powers conferred by that Act would not have been conferred under normal conditions, but only as stated in the Act, "In case of real or apprehended war, invasion or insurrection." The object of that legislation was to empower the Government to take such action in the public interest as the exigencies of the war might require and which, in normal times, could and should only be taken by the consent of Parliament.

Now, Mr. Chairman, there was no power in the Government to make advances from Consolidated Revenue Fund, upon the security of these guaranteed bonds and debenture stock. The only possible method that was open to the Government to assist in the completion of this enterprise which the Government regarded as desirable in the public interest was to make advances in Dominion notes. There was no other means to accomplish the end, namely, the completion of these lines, than the issue of Dominion notes by way of advances. As the banks were unwilling to intervene as borrowers from the Government on behalf of the companies, it became necessary, if the situation was to be met, that the Government should make the advances directly to the railway companies themselves upon the securities in question. Advances were accordingly made of Dominion notes from month to month upon the guaranteed securities at the rate of 80. The agreement of pledge taken from the railway companies was the same as that which has been taken from the banks in connection with advances made to them under the authority of the Finance Act of 1914. I may say that no question arises so far as the security is concerned. It is only a short time ago that Canadian Northern railway securities, guaranteed by the Dominion, were sold at a net price of 91½. As I stated, although I believe, the Minister of Justice would have been prepared to advise the Government that it had authority to make these issues—

Mr. A. K. MACLEAN: What authority? I do not understand.

Mr. WHITE: Section 6 of the War Measures Act.

Mr. MACLEAN: That is, the Minister of Justice would advise that the advance should be made out of the $50,000,000.

Mr. WHITE: Not necessarily.

Mr. MACLEAN: It is not very important, but it does seem strange to me that such a contention as that put forward by the Minister of Finance should be made, and I cannot understand how it could be sustained. Of course, I do not say it is important.

Mr. WHITE: Except that this exceptional legislation did exist. This legislation has no necessary relation to the war vote of $50,000,000.

Mr. McKENZIE: In considering the interpretation of a statute, I think the minister should keep strictly within the rule that a statute should be interpreted in the light of the history of its time, the circumstances under which it was enacted and what was in the minds of the legislators when it was passed.

Mr. WHITE: I agree with my hon. friend. I do not propose to rely upon this statute; if I did, I should not be asking for confirmatory legislation. I believe the action of the Government is within the War Measures Act, but, as I was about to say, as we had specially amended the Dominion Notes Act in the August session and as we had in addition enacted the Finance Act of 1914, both relating to issues of Dominion notes, it appeared to me, as stated in the Order in Council, that the issue made by executive authority should be validated and confirmed by Parliament.

Mr. A. K. MACLEAN: That seems to be right.

Mr. McKENZIE: When the minister is trying to get on solid ground by means of new legislation, I do not think he will help his case by propping it up upon an untenable interpretation of the War Act.

Mr. WHITE: It does not require any propping up. The action taken was due to the exigencies of war; it was important action and that is the reason why I am taking some pains to set forth the facts to the committee. So much for the advances in Dominion notes to the two railway companies in question. I come now to the issue of $10,000,000 which was made, I think, in November last by Order in Council for the general purposes of the Government. I am asked as to the terms of the loan; they were the same as if the loan had been made to a bank, upon the same security, under the provisions of the Finance Act of 1914—interest 5 per cent. In the August session, under legislation which was then introduced and passed, the Dominion note issue was extended by $15,000,000 without provision for a corresponding increase in the gold reserve held against it. I stated in the Budget speech that we hoped by this additional issue of $15,000,000 and by such borrowing as we hoped we might effect during the remainder of the year, to be able to meet the liabilities of the Dominion as they matured. We had an issue of treasury bills of £1,700,000, that is, of $8,500,000, maturing in November. It was quite impossible, by reason of the critical financial conditions which existed in London, for the Dominion Government to make a permanent issue in October or November of last year. Apart from this, the London market was expecting the first great British war loan, and it was inadvisable that there should be any borrowing by any other Government pending its successful flotation. The Government, therefore, determined that it would keep off the London market, and would not attempt to issue even treasury bills. Treasury bills could, I think, have been issued, but in view of the circumstances to which I have referred, it was extremely undesirable that that course should have been followed. In order to pay off the treasury bills of $8,500,000 maturing in November, and in order to meet other maturing obligations, an additional issue of $10,000,000 of Dominion notes was made for the general purposes of the Dominion under authority of Order in Council, but without, as I have stated, the authority of the Dominion Notes Act as amended. The result of the Government's action is that there are outstanding now some $26,000,000 of Dominion notes, $10,000,000 of which were issued to the Canadian Northern railway upon the security of $12,500,000 of its guaranteed securities, $6,000,000 to the Grand Trunk Pacific upon the security of $7,500,000 of its securities, and $10,000,000 for the general purposes of the Dominion.

Mr. A. K. MACLEAN: Under the Dominion Notes Act, when notes are issued they go into the Consolidated Fund Account. The result of the net issue under the Act of August last gave the consolidated fund account $15,000,000, and there would be $10,000,000 under the other issue. Did this $25,000,000 actually go into the Consolidated Fund account, and does it appear in the

calculations of the Minister of Finance of his total revenue for the present fiscal year, namely, $120,000,000? If not, why not?

Mr. WHITE: It is not included in the $120,000,000. The $120,000,000 is the revenue of the Dominion; an issue of Dominion notes constituted a liability on the part of the Dominion. It is true that the Dominion used the $15,000,000 to which my hon. friend has referred, and the $10,000,000, or a total of $25,000,000, but it is just as if they had obtained a bank credit for that amount.

Sir ROBERT BORDEN: Just the same as if you had borrowed it.

Mr. WHITE: Just the same as if we had borrowed it from the public or from the holders of the notes. This $25,000,000 is not included in the $120,000,000; the revenue I had in mind when I spoke of the $120,000,000 was from customs, excise and other sources.

Mr. A. K. MACLEAN: I hardly understand what can be the meaning of that section of the Dominion Notes Act which says that the proceeds of Dominion notes so issued shall form part of the Consolidated Revenue Fund account. I am curious to know how the minister preserves that disposition of the Act in his financial calculations and in the national bookkeeping.

Mr. WHITE: In one way it is clear, but I quite understand that my hon. friend may not fully appreciate its meaning. There is the Consolidated Fund account. The Dominion, so to speak, has only one pocket, into which everything goes—customs, revenue, exise and all the borrowings of the Dominion. The issue of these Dominion notes is really a borrowing from the public or from those who hold them—the banks, for example. They take the Dominon notes, which are demand obligations of the Dominion. My hon. friend will understand that anything that we have borrowed in the past, for instance, if we had borrowed $50,000,000 last year, would not be taken as part of our revenue; it would be our borrowing. Well, this is a borrowing; we put out demand notes on liabilities.

Sir WILFRID LAURIER: You add them to the public debt.

Mr. WHITE: All added to the public debt. Any increase of Dominion notes expands the public debt. But if, on the other hand, you hold gold against the Dominion notes, your net debt is not increased, because the gold is a set-off.

With regard to the $10,000,000 issued for the general purposes of the Dominion, I may say that we have now $1,200,000 of gold against it, and it will be the policy of the Government gradually to redeem that $10,000,000, as has been done in other countries—as is being done in Great Britain today.

My attention has been called to certain newspaper articles in which it has been said that these resolutions ask Parliament practically for a blank cheque for the issue of Dominion notes. The committee will observe that the resolutions are confined solely to the confirmation of the issues of Dominion notes aggregating $26,000,000 to which I have referred. The reason why a wrong impression got abroad was that it appeared to the Government last fall that, having regard to the critical condition which prevailed in all international markets, it might be necessary, and indeed that it would be necessary, for the Dominion Government to increase the Dominion note issue; and therefore in one of the Orders in Council, I think in the November one, it is stated that it was the intention of the Government to apply to Parliament for legislation which would authorize an increase in the Dominion note issue, secured by only 25 per cent in gold, to $80,000,000 instead of $50,000,000, as was done at the August session, or such other amount as the exigencies of the war might require. I am glad to say that there has been such a wonderful improvement financially throughout the world—in London, in New York and in Canada—that it will not be necessary for the Government to consider the question of further extending the Dominion note issue or to ask for any legislation giving them that authority. As I stated, the policy of the Government will be to gradually redeem the $10,000,000 of Dominion notes issued for these general purposes; and, as the Grand Trunk Pacific and the Canadian Northern Railway securities which we hold are sold, to redeem the notes issued against them. If that programme is carried out, as I think it will be, we shall have our Dominion note issue in accordance with the express provisions of the Finance Act, 1914.

Mr. A. K. MACLEAN: Will that be by redemption or by building up your reserve?

Mr. WHITE: Either way. For example, if we acquired gold and added it to our gold holdings, then the issue to that extent would be quite regularized under the Dominion

Notes Act. I omitted to say that the advances which we made in Dominion notes to the two railway companies were deposited to the credit of the Receiver General to be paid out under the terms of the trust mortgages securing the issues in accordance with the Acts authorizing the guarantees. For the further information of the committee, I may say that, at the end of December last, the proportion of gold to Dominion notes outstanding and not otherwise secured was 65.82 per cent; at the end of January, it was 65.83 per cent; at the end of February, it was 65.88 per cent. These percentages are higher than the percentages prior to 1903, when the rate was 62 per cent. It may be interesting to the committee to know that, under the terms of the Federal Reserve Act of the United States, the federal reserve banks are required to maintain gold reserves equal to 40 per cent of their outstanding circulation. These notes are issued to the federal reserve banks by the Federal Reserve Board on receipt of collateral security consisting of notes and bills accepted for rediscount under the provisions of the Act. Under this advanced legislation a gold reserve of 40 per cent is considered sufficient. that is in the United States.

12 m.

The action of the Government in making this advance is justified, we believe, so far as the $10,000,000 issue is concerned, on account of the necessity of maintaining the Dominion's credit in the emergency of the war, which made it impossible for the Government to borrow. So far as the advances to the railway companies are concerned, the justification is, in our view, the effectuation of the intention of Parliament that the two lines should be completed; the fact that the companies were unable to sell or borrow upon the guaranteed securities; the public necessity that the unemployment and the great loss that would result from the closing down of construction should be averted; and, lastly, the interest which the Dominion Government has as guarantor that its security should not be diminished by the loss of interest which would have resulted had construction been discontinued for an indefinite period. The statement I have made to the committee this morning shows the extent to which the Dominion has had to go in the issue of paper money not secured by gold.

The House may be interested to know how far other countries have been obliged to go since the outbreak of the war. The British Chancellor of tne Exchequer, in August last, undertook to issue paper currency and to deposit with banks asking for advances an amount equal to 20 per cent of their deposits and current liabilities.

Mr. MACLEAN: Would the minister state that again?

Mr. WHITE: The British Chancellor of the Exchequer offered to the banks of Great Britain to make advances to them in paper currency of the Imperial Government to an amount equal to 20 per cent of their liabilities on deposits and current account. If the banks had availed themselves to the full of that offer, they would have taken no less a sum than £200,000,000.

Mr. A. K. MACLEAN: Would that have been Bank of England notes?

Mr. WHITE: No, special Imperial notes, issued by the Imperial Government—"Bradburys" they were called, from the name of the official of the Imperial Treasury who signs them. Those were not secured by gold; but the Bank of England, since the outbreak of the war, has been continually setting aside gold against those issues, and althiugh they are not yet fully covered, I believe it is the intention that they shall be completely covered by gold. My hon. friend knows that all the issues of Bank of England notes are secured by gold. I do not argue that it was in the mind of the Chancellor that the banks would take £200,000,000 of his currency. His object was of course achieved when it was known that the Government stood prepared to make those advances, because with such an offer from the Imperial Government there could be no possibility of a panic due to any apprehension of embarrassment on the part of financial institutions which were normally sound. That offer made by the Chancellor of the Exchequer corresponds with the action taken by the Dominion Government at the outbreak of war in offering to make on approved securities advances to banks of Dominion notes in such amounts as might be deemed necessary to meet the situation created by the war. In Great Britain paper currency has been issued to the amount of £38,000,000, or $190,000,000.

Mr. McKENZIE: We have legislation enabling us to issue Dominion notes. Has England any legislation for the isue of what they call Bradburys?

Mr. WHITE: The Bradburys were first issued, I think, and then legislation ob-

tained validating what had been done and providing for the further issues which I have mentioned. I believe there is no limitation to the amount. In the United States the situation at the outbreak of war was similar to that which existed in Great Britain and Canada, but fortunately the Aldrich-Vreeland Act had been amended in the previous year and, although up to that time it had not been availed of, it proved exceedingly useful in meeting the financial exigency of the war as experienced in the United States. Under that Act the banks were authorized to issue additional security, not exceeding $90,000,000, against cotton and tobacco secured notes, instead of as against United States bonds as previously, and under this measure the United States banks issued $363,000,000 of excess note circulation to meet the situation created by the war. In addition to that the Government deposited with the banks throughout the United States about $320,000,000, which, of course, was exceedingly helpful. I have taken probably an unnecessary amount of time in fully explaining these measures to the committee, but I realize that they are of great importance. Under normal conditions, in fact under even trying conditions, a Government, generally speaking, would not be authorized to take the action which this Government has taken in making these Dominion note issues. But by reason of the exceedingly critical situation created by the war and its effect upon international finance, which was described in my Budget speech of August last, and in the Budget speech of the present session, and is well known to all the members of the House, the Government felt justified in taking the executive action which I have described, feeling confident that their action would be subsequently confirmed by the House by reason of the exceptional circumstances which prevailed at the time the action was taken, and the objects we had in view in taking it. Having regard to the measures which were deemed essential, and which were taken in Great Britain, France and the United States, to say nothing of Germany, it must be conceded that on the whole Canada, a belligerent nation, has come through the crisis with as little amendment to her financial legislation and as little enlargement to her currency facilities as probably any other nation.

Mr. A. K. MACLEAN: Before the minister concludes I should like to say just a word. We have at the present time a Dominion note issue of $76,000,000, of which $50,000,000 is authorized under the Dominion Notes Act of August, 1914, and the rest of which is to be legalized by the Bill to be founded on the resolutions we are now considering. Therefore we shall have two pieces of legislation authorizing this total note issue of $76,000,000. It struck me as the minister was speaking that it might have been better to amend in some form the Dominion Notes Act so that all the legislation on this subject would be contained in one Act, or in the principal Act and an amending Act. There is no guarantee, of course, that the Government will redeem the excess circulation of $26,000,000 within any specified time, or that they will build up an additional gold reserve of $26,000,000 against this excess note issue, so as to come within the requirements of the Dominion Notes Act. I do not say there is much importance in the point I am making, but I am interested in knowing whether the minister has considered it.

Mr. WHITE: I have considered the point to which my hon. friend has drawn attention, and I have thought it better that the action of the Government should be confirmed by Parliament. I desire to leave the Dominion Notes Act precisely as it is, for I do not think it wise that we should enlarge the free Dominion note issue provided by that Act. Now it is true, as my hon. friend has pointed out, that there will be $26,000,000 of Dominion note issue legalized by the confirmation which Parliament will, we hope, now give to the action of the Government. But, as I have pointed out, it will be the policy of the Government to gradually reduce that amount, and according to my conception the $26,000,000 will be gradually redeemed; and the Dominion note issue will then stand as the original Government issue of Dominion notes. I think this was the course followed by the Government in 1908, when legislation was introduced confirming the action of the Government in making advances to the banks in 1907 during a critical financial period. Now, as soon as those loans were paid off, that confirmation was exhausted, and the Dominion Government then continued to be governed by the express provisions of the Dominion Notes Act. Once the notes that had been issued in excess of the amount authorized by the Dominion Notes Act were redeemed, there was no power by reason of the validating legislation for the Government to re-issue those notes.

Mr. A. K. MACLEAN: As a matter of fact, I do not think the loans were ever made.

Mr. WHITE: Oh, yes.

Mr. MACLEAN: As the Minister of Finance has stated, this is very important legislation. Further, it is very intricate and technical, and I trust that anything I shall say will be accompanied with becoming modesty, and be taken as an endeavour to express my own views, rather than the opinion of any other hon. gentleman. I think this is the first occasion in the history of Canada in which the authorized Dominion note issue has been exceeded, for reasons such as those now urged by the Minister of Finance. Our previous authorizations to extend the Dominion note issue were, if I recollect aright, due to two causes, the first of which was due to the expanding business of the country which necessitated an increase in the available paper money for our commercial needs, and the second occurred in 1907; the justification then being a currency stringency. I am not disposed to agree with the Minister of Finance that under the legislation passed last August there was authority for this excess note issue, but as he does not rely on that as a justification, and comes to Parliament asking for legislative confirmation, it is not necessary that I should deal with that phase of the question. There was no authority to make advances to the Canadian Northern Railway Company or to the Grand Trunk Pacific Railway Company upon their own securities guaranteed by the Government of Canada, nor was there authority for the note issue made in respect of each of these two advances in Dominion notes. We, therefore, have two unauthorized acts on the part of the Government, and the question before us is a consideration of whether the circumstances were such as to justify these acts. I am not disposed to find very much fault with the action of the minister in making advances to the railway companies, because, no doubt, it was of great importance to the railway companies and to the country that they should be able to carry to completion their undertakings during the past year. These advances were made upon the authorized securities issued by the company and guaranteed by the Government of Canada. They were not, of course, liquid securities and could not be immediately realized upon, but inasmuch as they were guaranteed by the Dominion, one can hardly contend that the security was not good. If the time ever comes when these are not a good security, then Canada and Canadians will be in a serious plight indeed. It is to be noted also that these securities were accepted at a discount of twenty per cent, which under the circumstances I would think a fair reduction to make. I am not disposed, therefore, to find any fault with the note issue made upon the securities of the Canadian Northern Railway Company and the Grand Trunk Pacific Railway Company. I have not perused the Orders in Council very carefully, but I am assuming that these advances to the companies, upon their own securities, are for a fixed period, and that upon the termination of that period the country may look for a payment of the advances. If the financial conditions then are such that the railway companies cannot meet these obligations, there will no doubt be some arrangement by which the maturity of the advances may be extended on just terms.

The note issue of ten million dollars is in a somewhat different position from the note issues made to provide advances to the railway companies, and which the minister states the railway companies were unable to secure from the banks. Perhaps I should here say that I am pleased that the minister is in a position to state that the Prime Minister and he urged upon the banks to make these advances to the two railway companies, under the Financial Measures Act of last year. I think it would have been preferable had the railway companies secured the desired advances in this way. It would have relieved the Government of the responsibility of making unauthorized issues of Dominion notes. I do think that in the circumstances the banks should have met the request of the Prime Minister and his Finance Minister, particularly as it meant no financial risk on their part, and they would immediately have received Dominion notes from the Government. Of course, it would have increased their liabilities which perhaps they desired to avoid.

I am glad to have the assurance of the Minister of Finance that he does not purpose allowing this entire excess note issue to remain outstanding indefinitely, He proposes either a redemption of the excess note issue, or its justification under the terms of the Dominion Notes Act by the increase of the gold reserve so that the issue will come within the provisions of that Act. That being the case,the situation is very different from what it would have

been, had the minister come to Parliament asking for authority to increase the note issue from $50,000,000 to $80,000,000, as was proposed in the Order in Council of November 2, 1914. On the whole, I am very glad that the minister has taken this view of the matter; that he is only seeking confirmation of the action he has taken, and that he has given the committee an assurance of his intention to redeem those notes or to meet the requirements of the Dominion Notes Act so far as gold reserve is concerned in respect to that issue. Our paper currency has always been regarded as being in an extremely safe and sound condition; and it would be unfortunate if, at any time or under any circumstances, we departed very far from the requirements of the Act. I trust this will only be done under the most compelling of necessities. I shall reserve any other remarks until we are considering the Bill to be founded upon these resolutions.

Sir WILFRID LAURIER: Just a word to complete what has been said by my hon. friend the junior member for Halifax (Mr. A. K. Maclean). I take the same view as he does. I am very glad that the legislation goes no further than to confirm the issue of $26,000,000 of notes which was authorized by the Government last fall. At the August session we gave power to the Government to issue Dominion notes to the extent of $50,000,000 upon a gold basis of 25 per cent. The system upon which the credit of Canada rests is that every dollar issued out of the treasury in paper must be represented by gold in the treasury; but ever since that system was introduced, we have given a certain leeway to the Government, allowing a small proportion of Dominion notes to be issued in excess of the gold reserve. At the August session we increased that amount from $30,000,000 to $50,000,000; but the country was somewhat disturbed last fall when we heard that the Government intended to increase it from $50,000,000, to $80,000,000 upon the same gold reserve. The Government, however, does not intend to bring down legislation to confirm that intention. My hon. friend the Minister of Finance, has just stated that the financial situation has so improved that he sees no necessity now to ask what he intended to ask, and that he will limit the legislation to where we left it in the month of August last; that is to say, the Dominion will be authorized to issue paper currency to the extent of $50,000,000 and no more. The Government, however, has made an extra issue of $26,000,000, and its intention now is simply to confirm that illegal act, so far as it was illegal, because it was against the law, and nothing more. The Government does not urge that its power to extend that issue be confirmed, so that when that $26,000,000 has been recouped to the treasury, the Government will not have power to issue another dollar upon the legislation which we are about to pass. Once this transaction is completed, there is no more to it. When the Government has been recouped for the advances which it has made to the Canadian Northern and the Grand Trunk Pacific and to the public at large, when those notes come back to the treasury, they are not to be reissued. The power of the Government is limited simply to the $50,000,000 and no more.

So far as Parliament is concerned, the only question before us today is whether or not the Government was wise or could be justified in issuing the $26,000,000 which it issued, as stated by my hon. friend the Minister of Finance in the very lucid explanation which he gave to the House this morning. There has been some departure from sound principles. The basis of our legislation is that the credit of the country should not be used except under the strict terms of the law, but there are circumstances in which the Government is allowed to make some departure from the strict letter of the law. The late Government, over which I presided, did so in 1907. At that time the business of the country had so expanded that the ordinary credit was found to be insufficient to move the crops of that year. Upon finding that to be the case, we thought we were justified in issuing Dominion notes to the banks so as to help the business of the country to go on. Our action was justified. In that case, however, we took for our issue absolutely liquid assets, and that is the object which the minister must have before him. He should make advances upon securities of that kind, so that if a sudden demand were to come to him, he could readily convert his assets into gold and meet his liabilities to the public. In this instance, I realize that my hon. friend could not secure liquid assets. The credit of the country was so disturbed by the war that he found it utterly impossible to obtain the liquid assets which he otherwise would have been expected to secure; but the securities which he obtained were of the best character that could be desired, because

they were securities guaranteed by the Dominion of Canada. So far as that is concerned, no criticism can be offered against my hon. friend. The only criticism is that I think he should have taken that power last session, and he should be censured for not doing so. The correspondence shows that one of the companies, the Grand Trunk Pacific, came to him for assistance, and it would have been preferable if he had then taken the power which he is asking now. There would have been no difficulty in giving him that power, under the circumstances within the authority of Parliament, there can be only one excuse for the Government exceeding the authority of Parliament, that is, when there is a sudden demand which there was no possibility of foreseeing.

In this case, my hon. friend should have foreseen that he would require that money, because the application had already been made. It was not a demand arising after the session of August, but it had arisen before that session. But, so far as that goes, the point is not essential; the matter is one which we can overlook because, after all, "Salus populi suprema lex." In such circumstances as my hon. friend was confronted with, I agree with him, it would have been deplorable that the work of these two companies which is of such importance should not have gone on; and that it is better that he should have taken the action he did rather than have such a disturbance of business as would have occurred if these two companies had at once ceased their operations. On the whole, I have no hesitation in saying that we ratify the action taken by the Government, especially as we are now certain that the action is purely unique, that it is not general, but is confined to this one transaction.

Sir ROBERT BORDEN: There are only one or two observations I desire to make. So far as taking express authority for this purpose at the last session is concerned, I may say to my right hon. friend (Sir Wilfrid Laurier) and to the House that we had no reason to apprehend at this time that these advances would not be made by the banks. The best security that could be given to any bank was available—the bonds of the railway companies guaranteed by the Government of Canada. We had many conferences with the banks on the subject, and we thought, and still think, that it would have been better that the advances should have been made in that way. However, the banks had their idea of the extent to which they should develop their liabilities on the one hand, and their assets on the other: they thought it would not be desirable or prudent for them to take the course which was suggested. Then, as was pointed out—and I need hardly repeat it—the two alternatives before the Government were either to have the organization of these railway construction companies broken up, thousands of men thrown out of employment, the business and economic conditions of the country disturbed, and the confidence in the future of the country greatly diminished; or, on the other hand, to take the course which was taken. After giving to it as careful consideration, I think, as has ever been given to any subject by the present Government, we concluded that we ought to take the course which was taken. I may say—though the question is only academic at the present moment—that I have not the slightest doubt that we had the power to take this action under the War Measures Act of 1914 if we had seen fit to do so. I say that for the obvious reason that section 6 authorizes the Governor in Council to perform such acts as he, by reason of real or apprehended war, etc., deems necessary or advisable "for the security, defence, peace, order and welfare of Canada." Now, the general words under which this Parliament received power to legislate for Canada are that it may "make laws for the peace, order and good government of Canada." The words which confer power on the Governor in Council are quite as wide, and I think we might have exercised that power under the War Measures Act. But I thought, and my colleagues thought, notwithstanding the belief that we could have done it in that way, that powers of that kind ought not to be exercised to the widest limit except for the gravest possible reasons. So we decided that if we were to take the course of advancing money upon the securities of these companies guaranteed by Canada, we had better not proceed under the War Measures Act, but pass an Order in Council which would distinctly state, as these Orders do state upon their face, that we were doing that with the intention of having our action afterwards submitted to Parliament, and ratified by Parliament if it should approve.

We took that course, and I am very glad to learn that it has met with very little criticism on the other side of the House; because hon. gentlemen there as here,

realize that the conditions were urgent: I may say, looking back at the two or three months which succeeded the outbreak of the war that perhaps none of us to-day fully realize just how much public opinion in this country was oppressed by the conditions which prevailed and how grave the situation seemed to us at that time. I for one can testify that the responsibility placed upon the members of the Government in connection with all these matters were of so grave and weighty a character that I most sincerely hope I shall never be called upon to pass through anything of the same kind again.

Sir WILFRID LAURIER: Hear, hear.

Sir ROBERT BORDEN: Now, with regard to the period for which the loan was made: I understand that it will expire very shortly —at the end of this month. If renewal be necessary, as possibly it may be, it will be for only a fixed period. There was no idea of making the loan of an indefinite duration. And in order to reassure the House with regard to the situation, so far as the note reserve is concerned, I may say that within two or three months after the first issue was made we were assured by one of these railway companies, I think by both, that the securities given could be sold at an advance of from eight to ten points upon what the Government had advanced upon them.

If there had been any grave condition with regard to our currency, we could have consented that that should have been done; but it was believed by the Minister of Finance and by the companies themselves that with a little more delay the price that could be obtained would be greatly increased. Of course, the loss of three or four points upon the sale of any of these securities meant that just so much less money would be available for the purpose of carrying the construction of these roads to completion. My hon. friend the Minister of Finance has been compelled to leave his place to keep an engagement, but if there is further information desired which it is within my power to give, I shall be glad to give it.

Sir WILFRID LAURIER: I wish to say just one word to justify the criticism I have offered, that this legislation should have been sought during the August session. I quote from the Order in Council of the 5th September, 1914:

The committee of the Privy Council have had before them a report, dated 5th August, 1914, from the Minister of Finance, submitting the following facts:

(1) At the last session of Parliament an Act was passed known as "The Grand Trunk Pacific Guarantee Act, 1914," whereby the Government of Canada was authorized, for the purposes therein mentioned, to guarantee the payment of the interest and principal of an issue of bonds of the Grand Trunk Pacific Railway Company for a principal amount not exceeding sixteen million dollars.

Then it goes on to say in section 4:

(4) By reason of the effect of the war upon financial conditions in Great Britain and elsewhere the Grand Trunk Pacific Railway Company has been unable to sell or procure advances upon the said guaranteed securities either in London or in New York. The company has also been unable owing to prevailing financial conditions, to obtain any loan from Canadian banks.

The minister therefore authorizes the issue of Dominion notes to the extent of $60,000,000. This was the report of the Minister of Finance to the Privy Council on August 5. Everything that is necessary should be done to maintain the high standing which Canada's credit has in the financial world, and it is essential to the maintenance of that high standing that the law should be strictly carried out. In my estimation, the Government should in August last have taken the powers which they are now taking. There has been some fear on the part of the public that the Government might resort to the very unhealthy practice of issuing paper currency. We have the assurance of the Minister of Finance to-day, however, that there is no such intention that any idea which was entertained in the month of November of increasing the Dominion note issue from $50,000,000 to $80,000,000 will not be carried out. Whilst we ratify the action taken by the Government, I think it will be agreed that it would have been safer and more in accordance with the fitness of things and with the maintenance of the high standing of Canada's credit, if the provisions which we are now making had been made in the August session.

Sir ROBERT BORDEN: I doubt very much whether the date referred to is the correct date of the report. My right hon. friend will notice that the Order in Council was approved by His Poyal Highness the Governor General on September 5. It may be that it came before us at that time; I do not recollect it; but if it did come before us at that time, the view we had was that this ought to be done through the

financial institutions of the country, the banks. After the session of Parliament closed, the managers of two of the largest Canadian banks were asked to come to Ottawa, and it was urged upon them that any advances made by the Government ought to be made through the banks in the way which had been provided for by Parliament. I really saw at that time no great reason why it should not be done in that way, because, although the amounts were large, compared with the enormous business done by the largest banks in Canada, it would not seem an excessive amount for them to have undertaken, particularly as they would have been granting the loan upon the security of the Dominion of Canada. They were so doubtful about it, however, that we could not convince them that it was their duty to undertake it under the circumstances, although we sincerely hoped and believed that, upon reconsideration of the attitude which they had adopted at first, they would be willing to go that far. So we proceeded in the course to which my hon. friend has referred. I entirely agree that if we could have definitely foreseen that the banks would decline to take business of this kind, it would have been better to have brought the matter to Parliament at the last session and to have obtained authority in advance rather than after the transaction had been carried out by the Government. With my hon. friend's opinion in that regard I am in perfect agreement.

Resolution reported and concurred in.

Sir ROBERT BORDEN thereupon moved for leave to introduce Bill No. 95, respecting certain issues of Dominion notes.

Motion agreed to, and Bill read the first time.

At one o'clock the House took recess.

The House resumed at three o'clock.

PRIVATE BILLS.

FIRST READINGS.

Bill No. 96, respecting the Premier Trust Company.—Mr. Fripp.

Bill No. 97, respecting the Northwest Life Assurance Company.—Mr. McCraney.

Bill No. 98, for the relief of Austin McPhail Bothwell.—Mr. Fripp.

Bill No. 99, for the relief of Agnes Gravelle.—Mr. Fripp.

Bill No. 100, for the relief of Clara Elizabeth Darnell.—Mr. McCraney.

Bill No. 101, for the relief of Thomas Batin Harries.—Mr. Schaffner.

Bill No. 102, for the relief of William John Owen Delaney.—Mr. Porter.

Bill No. 103, for the relief of Edith May Webster Boydell.—Mr. Micnael Clark.

Bill No. 104, for the relief of William Robert Delaney.—Mr. Michael Clark.

GOVERNMENT RAILWAYS PURCHASE BILL.

On motion of Hon. Frank Cochrane (Minister of Railways and Canals), the House went into committee, Mr. Sevigny in the Chair, to consider the following proposed resolution:

Resolved, that it is expedient to enact as follows:

1. That it is expedient to provide that the Minister of Railways and Canals may, subject to the authority of the Governor in Council, construct, purchase, lease or otherwise acquire, in whole or in part, any railway, railway bridge, railway station, railway terminal, railway ferry or other railway work in the provinces of Quebec, New Brunswick, Nova Scotia and Prince Edward Island; provided that a copy of every such lease or contract shall be laid before Parliament; and provided, further, that no railway so leased, purchased or otherwise acquired shall exceed two hundred miles in length; and provided that no contract for the construction of a railway exceeding twenty-five miles in length shall be entered into until after a sum of money for the purpose has been appropriated by Parliament; provided, further, that any such railway or other work when so constructed, leased or purchased, shall form part of the Government railway system; and provided that no such railway shall be so constructed, leased or otherwise acquired unless it directly connects with some part of the then existing Government railway system.

2. That it is expedient to ratify and confirm an agreement dated the first day of August, 1914, between the Intercolonial Railway Company of New Brunswick, Thomas Malcolm, railway contractor, and His Majesty the King, for the sale to His Majesty of the railway and whole undertaking of the said company, extending from Campbellton, at the head of the Bay of Chaleurs, to St. Leonards, on the Saint John river, a distance of about one hundred and twelve miles, for the sum of two million seven hundred thousand dollars, payable any time within five years from the date of said agreement; and to provide that, pending the payment of the purchase money, His Majesty may lease from the said company, for a period not exceeding five years from the date of said agreement, the said railway and undertaking at a rental of ninety thousand dollars per year, payable in equal half-yearly instalments, the first half-yearly payment of such rental to be made to the company on the first day of February, 1915; and to provide that the purchase money and rents payable by His Majesty may be paid out of the Consolidated Revenue Fund of Canada.

3. That it is expedient to ratify and confirm an agreement dated the eighteenth day of March, 1915, between His Majesty the King

and the New Brunswick and Prince Edward Island Railway Company, for the sale to His Majesty of the whole of the railways and undertaking of the said company, including the main line of the railway of the company extending from Sackville, in the province of New Brunswick to Cape Tormentine, in the said province, a distance of about thirty-six miles, for the sum of two hundred and seventy thousand dollars; and to provide that, until the purchase price is paid, His Majesty shall pay to the company interest on the said purchase price at the rate of 4 per cent per annum from the first day of August, 1914, the first payment of such interest to be made on the first day of August, 1915, and thereafter on the first day of August in each year; and to provide that the purchase money and the interest payable by His Majesty may be paid out of the Consolidated Revenue Fund of Canada.

Mr. COCHRANE: This is simply a copy of the Bill that was introduced into this House two years ago. At that time the Senate unfortunately did not see eye to eye with this House. The second section of this resolution is to confirm an agreement for the purchase of the International railway, which starts from Campbellton and runs to St. Leonards, a distance of 112 miles. What has hurried on the purchase is the construction of the International bridge down there, which, but for this purchase, would have meant the taking away of a large amount of traffic from the Intercolonial. This line of railway will also be the means, I think, of giving the shippers down there a cheaper rate to the New England States, and the Intercolonial will make nearly as much out of it as if it were carried around the other way. Physically the road is in very good shape, with the exception of one curve near Campbellton, and we hope to have an item in the estimates to provide for the straightening out of that part of the line. The third section of the resolution is to confirm the purchase of the New Brunswick and Prince Edward Island railway, which we have bought with the object of connecting up the Intercolonial with the Prince Edward Island ferry. We are leasing the International railway for a certain number of years at a little less than 3½ per cent on the purchase price, and have the option of purchase. As regards the New Brunswick and Prince Edward Island railway we have to pay 4 per cent until the House passes the the legislation authorizing the purchase.

Sir WILFRID LAURIER: When this resolution first appeared on the Order Paper, it was in the form of three separate resolutions. It is true that my right hon. friend the Prime Minister told me he wanted to present it as one resolution. As to that I have no observation to make, but no reason has been given to me why we should have only one resolution when three separate and distinct subjects are dealt with. I think it would have been preferable to have three separate resolutions. The second and third sections of this resolution apply to railways intended to serve the public in the Maritime Provinces, and to those no objection can be taken. The resolution to acquire the International railway is not objectionable from the point of view of the Intercolonial, for it will facilitate business between the province of New Brunswick and the Eastern States. That is a praiseworthy object, and to it we on this side of the House can have no objection, nor can we object to the third section, which provides for the lease or purchase of the New Brunswick and Prince Edward Island railway.

But the first one is of such a character that I hope to have a fuller explanation of it than has been given by the minister. It is a resolution to buy railways here, there and everywhere.

The Minister of Railways has pointed out that in the session of 1913, this legislation passed the House of Commons, but that an amendment was made to it in the Senate, which the Government did not accept, but which, for my part, I think there was a good deal of merit in. We are entitled to know what the minister intends to do under this legislation. A resolution such as this, so broad in its terms, has not been brought before Parliament a second time without the Minister of Railways having given it a good deal of consideration. The hon. gentleman does not designate in the resolution any of the railways or works he intends to take over, although I presume he must have in his mind some scheme. This legislation is due to the efforts of our late colleague, Mr. Emmerson, who session after session brought to the attention of the House the desirability of the Intercolonial Railway acquiring all the branch lines connected with it, and which are not now operated by that system. His view was, that these branch lines should be operated by the Intercolonial for the benefit both of the Intercolonial and of the public generally, and everybody will agree that there is considerable merit in that proposition. It is a notorious fact that these branch lines give very little satisfaction to the public, that the companies which operate them have not the means of putting them in first-class

condition, and that if they were administered by the Intercolonial Railway they perhaps would not be unprofitable for the railway, while they would certainly be of great benefit to the people. It was contended that even if it involved a loss to the Intercolonial railway the loss would be more than compensated by the great advantage which would enure to the public. These views were presented repeatedly to the House by my late colleague and friend, Mr. Emmerson, until at last they impressed the Government, and hence this legislation. We should know from the minister now whether action under this legislation is intended to be confined simply to the branch lines connecting with the Intercolonial. There are these qualifying words in the resolution:

Provided that no such railway shall be so constructed, leased or otherwise acquired unless it directly connects with some part of the then existing Government railway system.

The words "then existing Government railway system" are new words in the resolution, and they would seem to apply to any Government railway which does not exist to-day, but which may exist at any time in the future. The Minister of Railways would have power to acquire railways, bridges, stations, or any other works, not only this year but next year, or ten years hence, if the Act is not repealed in the meantime. The words "then existing Government railway system" seem to me to confer upon the minister a very wide power. We are entitled to know from the minister to what works and railways he intends to apply this measure.

Mr. COCHRANE: Hon. gentlemen will remember that during the election campaign of 1911, it was one of the planks of the Conservative platform that if the Conservatives came to power the Government would acquire the different branch lines along the Intercolonial, which it would be in the interests of the Intercolonial and of the country generally to acquire. A Bill was introduced in the session of 1911-12 in order to carry out that policy, but unfortunately it did not go through this House. It was again introduced in an amended form in the session of 1912-13, and passed this House, but was rejected in the Senate. The proposition is to acquire any railway covered by the resolution, any branch line along the Intercolonial railway or the Government railway, which it will be in the general public interest to acquire. At the present time, the people living along these branch lines have to pay a double rate, the local rate and the through rate on the Intercolonial, and if these lines were acquired as part of the Intercolonial, the shippers would get the advantage of a through rate, which would be greatly beneficial to the community. It is a question whether some of the railways down there are worth very much, but I am not here to run down any branch line. I do not think the clause is so wide as my right hon. friend thinks, because its wording ties us down to branches connected with the Government railway system.

Sir WILFRID LAURIER: The Intercolonial railway?

Mr. COCHRANE: Any government railway. I cannot see what objection there would be to this resolution, even if we were to extend the Intercolonial and acquire branch lines, if it were in the public interest to acquire them.

Sir WILFRID LAURIER: I want to know where we are and what is intended. We all understand what the Intercolonial railway is, and we know that the government railways to-day are confined to the Intercolonial and the Prince Edward Island railway. Later on, it is quite possible there may be other government railways, and this resolution would then cover all these railways acquired by the Government. I do not object to it, but I want to know what we are doing. I understand that the object of the minister to-day is to acquire branch lines of the Intercolonial, and the reasons he has given satisfy me, and I hope they will satisfy the House, that such is desirable. The hon. gentleman tells us that at present there is double management and that there are double rates, and that it would be to the advantage of the people that there should be one management and a through rate, and so far I quite agree with him. I agree that he should be allowed to acquire these branch lines, which at the present time have been built at the expense of the people of New Brunswick, and which do not give to the people all the advantage they should derive from them. As I understand the intention of my hon. friend, it is to acquire those branch lines. So far, so good. I take that as the policy of the Government.

That point being settled, I come to another point, that which was at issue between this House and the other branch of this Legislature. The amendment to

this Bill came into this House two years ago in the dying hours of the session. We had a rather hot session and perhaps were not as well disposed or as equable in temper as we are at the present time; but now that our blood has had time to cool off and that we can approach the question in perfect good temper, I will present to my hon. friend the views expressed in the other branch of the Legislature. I was not in the House when the Bill passed through this Chamber two years ago. When I came back, I took up the amendments made by the other Chamber, and I was told that the Bill as it left this House had been agreed to by both sides. That is true, I believe. My hon. friend, however, will agree with me that the two sides of the House, even when they are unanimous, may not be absolutely perfect, and no one will contend that, when the two sides have agreed upon something, that it is the incarnation of wisdom and that it is impossible to make any improvement.

Two different powers are granted to the Minister of Railways under this Bill. First of all, he is empowered to acquire any existing railway, there being no limitation upon his power except that such railway shall not exceed in length 200 miles. If the railway exceeds 200 miles, he has no power to purchase it. Then he is given power to construct any railway that he deems advantageous in the interest of the country, provided it does not exceed in length 25 miles. If he constructs such a railway, he is bound to bring the matter before Parliament; but his power is limited to this, that the money must be voted by Parliament. Parliament has complete control over his action if he constructs a railway twenty-five miles in length, but Parliament is not given power over his action if he buys a railway of two hundred miles in length. There is no reason why the same rule should not apply in the one case as in the other, that is, that the action of my hon. friend, acting as Minister of Railways or as the Government, should be submitted to Parliament for ratification. All that the amendment of the other branch of the legislature proposed was that, whether the contract was for the purchase of a railway existing already or for the construction of a railway by the minister, the money should be voted by Parliament. That amendment is not only legitimate, but the very essence of parliamentary government. My hon. friend will rather hesitate to take upon himself the power to buy a railway 200 miles long, dispensing with the authority of Parliament, when the mere fact of a signed contract binds Parliament to accept it. My hon. friend should allow his resolution to be so amended as to conserve over it the control of Parliament. If he were disposed to accept it, I would suggest an amendment to that end. I do not know whether or not it would cover the ground absolutely, but at all events it would meet the case in some way. I move the following amendment:

That there be inserted in line 2 of section 1, after the word "lease" the words "either with or without an agreement to purchase."

That is to say, the minister can lease, and he can put into the lease a clause empowering him to purchase. That amendment would make the clause read as follows:

That it is expedient to provide that the Minister of Railways and Canals may, subject to the authority of the Governor in Council, construct, purchase, lease, either with or without an agreement to purchase, or otherwise acquire—

I think there can be no objection to that amendment.

I also move the following amendment:

That in line 9 of section 1, there be inserted, after the words "entered into," the words, "or the purchase price of any such railway or other work be paid."

The section would then read as follows:

And provided that no contract for the construction of a railway exceeding 25 miles in length shall be entered into, or the purchase price of any such railway or other work be paid, until after the sum of money for the purpose has been appropriated by Parliament.

I move these two amendments without asking my hon. friend the minister at the present time either to approve or to reject them. He will do well to take them into consideration. It is well to meet the criticism of the other legislature, which seems to me to have been in the right direction.

Mr. MACDONALD: While the Prime Minister is considering the amendment, I may say that I saw in one of the Government papers to-day a statement to the effect that the Government proposes to operate the National Transcontinental railway systetm as part of the Intercolonial. We ought to have a statement in regard to that announcement, which is an important one, in connection with this resolution.

Mr. COCHRANE: We are thinking of introducing a Bill giving us authority, only

in case the Grand Trunk Pacific Railway Company fails to enter into a lease in accordance with the Act. It is only a proviso.

Mr. MACDONALD: If that is so, the point made by my right hon. friend is very important, because if my hon. friend proceeds to operate the National Transcontinental railway as part of the Government railway system, then there will be power given to him under this first section to take over branch lines which may extend all the way to Winnipeg. That would be a very wide power. Will the minister tell me what are the branch lines which he contemplates taking over this year?

Sir ROBERT BORDEN: As far as the first amendment proposed by the right hon. leader of the Opposition is concerned, there is no objection to it at all. So far as I understand the purport of the second amendment, it has this effect, that no contract for the construction of a railway exceeding 25 miles in length shall be entered into, or the purchase price of any such railway or other work be paid, until after the sum of money for the purpose has been appropriated by Parliament. Perhaps that language might have been inserted so as to make the meaning clearer. As I understand it, the intention is that the Minister of Railways shall be given authority to purchase a line of railway not exceeding 200 miles in length, but the price must not be paid until the money has been appropriated therefor by Parliament. I do not suppose the money could really be paid until it has been voted by Parliament; therefore I really see no objection to what my hon. friend proposes.

Sir WILFRID LAURIER: Under this legislation the Minister of Railways is empowered to make a contract. Of course, the money could not be paid unless voted by Parliament, but if Parliament gives to the minister the power to make an absolute contract, Parliament will be bound to vote the money later.

Sir ROBERT BORDEN: I quite understand my right hon. friend, and, if it is thought that this amendment will make the provision clearer, I have no objection to it. As to the other matter to which reference has been made, at the last session of Parliament the Minister of Railways and Canals was authorized by legislation then passed to operate any portion of the National Transcontinental railway at the completion of the line, before the lease should be entered into. The difficulty—if there should be any difficulty, a discussion of which I shall not enter into at the present time—is this: that neither the statute nor the contract which provided for the construction of the National Transcontinental railway contains any definite method for quickly settling the question as to whether the road at any time is so completed as to make it necessary that the Grand Trunk Pacific Railway Company shall accept a lease. One would have expected to find in the statute some better method of determining that question than seems to be provided. In case any difficulty should arise, therefore—and I am not for a moment apprehending any difficulty—a delay might ensue over the period during which that particular question might be under consideration. That question would have to be determined in one of two ways: in the first place by agreement with the parties, or, in the second place, by the determination of some tribunal board of arbitrators, or court of law. If it should be necessary to resort to the second method—and I do not predict that it will be necessary—it is perfectly obvious that some delay would occur, and the Government would not like to have the road left in a situation which would prevent its being operated. That is to say, it is in the interest of the public, in the interest of the road itself, and in every conceivable interest, that there should be some operation during any necessary period for determining whether or not the road is completed to such an extent as to make it incumbent upon the company to accept a lease. It is purely that, I think, to which the Minister of Railways has reference. I should be perfectly willing to restrict this legislation so that it could have no possible application to any portion of the National Transcontinental railway which the Government might find it necessary to operate, because that is not in our mind at all. If any amendment is desired to that end, I shall be glad to consider it.

Mr. PUGSLEY: As to the power to take branch lines, it may be said that there are no branch lines on the Transcontinental Railway at the present time.

Sir ROBERT BORDEN: There is one, I think.

Mr. PUGSLEY: If the Government were operating temporarily, would the Transcontinental be a part of the Government

system of railways? I hardly think it would, because I think that by statutory definition the Government system of railways consists of the Intercolonial and Prince Edward Island railways.

Sir ROBERT BORDEN: I do not think this legislation would cover the case of temporary operation by the Government of the National Transcontinental railway. All the Government has in mind is not to leave the National Transcontinental railway unoperated if any question should arise which might cause delay.

Mr. MACDONALD: Would it be a part of the Government railway system?

Sir ROBERT BORDEN: I do not think so, but I am perfectly willing to have that made plain.

Sir WILFRID LAURIER: We understand, then, that this legislation applies to the Intercolonial only?

Sir ROBERT BORDEN: And to the Prince Edward Island railway. That is thoroughly understood.

Mr. MACDONALD: Will the minister say whether under this legislation he proposes to deal with the Vale railway?

Mr. COCHRANE: I do not think it is in the public interest that I should make any announcement as to what railways I intend to deal with.

Mr. MACDONALD: I understand. you have made arrangements?

Mr. COCHRANE: Temporary arrangements were made down there. The arrangement is not yet completed.

Mr. MACDONALD: When are you going to tell us about it?

Mr. COCHRANE: When it is completed.

Amendments agreed to, and section as amended agreed to.

Resolution reported and concurred in.

Mr. Cochrane thereupon moved for leave to introduce Bill No. 105, to amend the Government Railways Act and to authorize the purchase of certain railways.

Motion agreed to, and Bill read the first time.

JUDGES ACT AMENDMENT.

ADDITIONAL JUDGES FOR BRITISH COLUMBIA AND ALBERTA.

On motion of Hon. C. J. Doherty (Minister of Justice), Bill No. 93, to amend the Judges Act, was read the second time, considered in committee, read the third time, and passed.

RELIEF FOR WESTERN FARMERS.

On motion of Hon. W. J. Roche (Minister of the Interior), Bill No. 85, respecting seed grain, fodder and other relief, was read the second time, considered in committee, and reported.

Mr. Doherty moved the third reading of the Bill.

Mr. OLIVER: Have the Premiers of Saskatchewan and Alberta been made aware of the contents of the Bill?

Sir ROBERT BORDEN: Yes.

Mr. OLIVER: Verbatim?

Sir ROBERT BORDEN: Yes.

Motion agreed to, and Bill read the third time, and passed.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Militia and Defence—transport and freight, $200,000.

Mr. MACDONALD: Last evening, I asked the Minister of Militia and Defence for a statement of the cost of the upkeep of the militia who were in service in British Columbia since the outbreak of the war up to the present time, and the minister promised to have it to-day.

Major General HUGHES: We have the figures down to the end of January only. They show that the numbers of non-permanent militia on active service in British Columbia from the 5th of August to the last of January were as follows: August, 4,102; September, 3,728; October, 3,017; November, 3,348; December, 2,460; January, 2,065. The total cost was $1,134,196.

Mr. MACDONALD: And I understand that that amount is chargeable to the war expenditure?

Major-General HUGHES: Yes.

Mr. MACDONALD: Does that cover the total expenditure made by the minister in British Columbia for war expenses?

Major-General HUGHES: Yes, and a number of these men have since gone to the front.

Mr. MACDONALD: Are there two thousand men on duty now in British Columbia?

Major General HUGHES: Fully that many. We have one regiment in Vancouver, and one regiment of cavalry, a regiment of infantry being organized, all for the front, and one in Westminster, also for the front.

Mr. MACDONALD: I was not speaking of those volunteering for overseas service.

Major General HUGHES: The only ones we have on home duty are the guards along the railway.

Mr. MACDONALD: This expense of over a million dollars given by the minister is for militia on service in British Columbia.

Major General HUGHES: Yes.

Mr. KYTE: I desire to read to the Committee a petition placed in my hands on behalf of surviving widows of men who responded to the proclamation of the Governor of Nova Scotia in connection with the Fenian Raid of 1866:

To the Hon. the Minister of Militia:

The petition of the undersigned respectfully showeth:

(1) That a number of Fenian raid volunteers Nova Scotia who responded to the proclamation of the Governor of that province, dated March 17, 1866, who would otherwise be entitled to a bounty under the provision of the Fenian Raid Volunteers Bounty Act, died before the date of the passing of the said Act on April 4 p.m. 1, 1912, leaving surviving them their widows who are still living.

(2) That your petitioners consider the provisions of said Act discriminating between the widows of volunteers who died before the date of the passing of said Act and of those who died after, excluding the former class from participation in the benefits provided by the said Act, unfair, inequitable and unjust and dependable upon the uncertain and uncontrollable eventuality of death.

(3) That in all fairness the surviving widows of such volunteers who died before the 1st day of April, 1912, are entitled to equal consideration from their country with those of the ones who have been called away since that date.

Your petitioners therefore earnestly pray that proper steps be taken to have the Fenian Raid Volunteers Bounty Act amended so as to make the bounty therein provided payable to the surviving widows of volunteers who died before the passing of said Act but would be otherwise entitled to the bounty by said Act provided.

And your petitioners, etc., etc.

Sept. 30, 1914.

At the time the amendment was made to the Volunteers Bounty Act last session, an amendment was proposed by myself providing for the extension of the benefits of the Act to the widows of men who drilled in 1866, and who had died previous to the 1st of April, 1912. The date fixed by which the claims of widows was determined was a purely arbitrary one. It does not seem to me there was any good reason why it should be fixed rather than any other date between 1866 and the present time. Without entering into argument, it seems to me that the widows of the men who died previous to 1912 are as deserving of participating in this fund as the widows of those who died subsequent to that date. The reasons on behalf of these aged women should be quite as convincing to the committee as those urged by the minister when he proposed this legislation. There is not a very large number of these women in the province of Nova Scotia, but they are worthy of consideration; and, under all the circumstances, I think the minister ought to take this matter into consideration and see if he cannot find some means to convince his colleagues that this amendment proposed by me last year should be given effect to and these women paid this bounty.

Major General HUGHES: The memorandum will appear in Hansard, and I shall have great pleasure in bringing it before council.

Mr. J. J. HUGHES: I take this opportunity of again protesting against the very unfair action of the Government in refusing to extend the provisions of this Act to the province of Prince Edward Island. There are a number of men still living in that province who, at the time of the Fenian Raid, volunteered in defence of their country, and who drilled under considerable difficulty and at very considerable expense to themselves, and whose case has been refused consideration at the hands of this Government.

It is unfair; it is unjust. There are a number of men living in Prince Edward Island at present who at the time of the raid lived in Nova Scotia. These men have had their bounties, and in discussing the matter with their neighbours have admitted that at the time of the raid they did no more than the men on Prince Edward Island, in fact not even so much. I think nothing could be more unfair than this discrimination against Prince Edward Island, and I hope that the Government, even at this late date, will take the matter into consideration; and the Government should above all things be absolutely fair to all sections of the Dominion. There is no reason in the world why Prince Edward Island should be singled out for this unfair treatment, and I must enter my protest against it even at this late date.

Major General HUGHES: In Nova Scotia we have the clear records, but we have not been able to get clear records as regards Prince Edward Island. If it can be shown that any injustice had been done, or if we can get clear records as regards Prince Edward Island, I am sure that the Prime Minister and his colleagues will be glad to take the matter up.

Mr. J. J. HUGHES: We pointed out, when this matter was before Parliament last year, that the only difference between Nova Scotia and Prince Edward Island was a technical difference. The men in Nova Scotia were called out by proclamation while the men in Prince Edward Island were called out by a special Act of Parliament passed by the local legislature. Surely a special Act of Parliament should be just as good evidence as the proclamation calling out the men from Nova Scotia.

Mr. McKENZIE: Anything that the hon. member for Richmond (Mr. Kyte) or the hon. member who has just spoken (Mr. Hughes) or I can do to strengthen the hands of the minister and his colleagues in trying to get this bounty paid to the widows of deceased veterans, we shall be very glad to do. One thing has been settled by this Government, and that is the principle that the Fenian Raid veterans are entitled to this recognition of $100 each; and the minister should have no trouble in keeping the Government up to that principle which they have already established and on which they have already paid out so much money. If there is any good reasoning at all about this payment of money—I am not finding fault with it—the money is paid on the principle that the veteran who came out and served his country has earned this money, that he is entitled to this $100 because at the time of the raid he volunteered and put himself in a position to defend his country. According to that principle the volunteer has earned the money as soon as he has rendered that service. Now whether he dies early in life or late does not alter the position at all, because it is the act of bravery and sacrifice that he performed for his country in 1866 that has given rise to this right for himself or for his family. The fact that he died before the first day of April 1912 cannot change that principle at all. The Government has thought proper to pay the bounty to the widows of men who died since the first day of April, 1912. They are paying the bounty to the widows and heirs of veterans who served in 1866, and were living on the first day of April 1912, but died before they got the bounty. I wish to bring home to the minister if I can, that as far as sound reasoning is concerned, the widow of the man who died two years ago has no better right to this money than the widow of the man who died four years ago. That is a mere accident of time, a mere accident of a long or a short life; and that is all the difference between the two. If the widow of the man who died last summer is entitled to this money and has got it, should not the bounty be also given to the widow of the man who died three or ten years ago, or at any time since he put himself in a position to be entitled to this money? I think that is fair, and sound logic. The minister should put all the widows and all the veterans in the same class, no matter whether some of the veterans happened to die some months or years before this Act was passed on the 1st day of April, 1912.

Mr. WILLIAM CHISHOLM: I am glad to have the opportunity of raising my voice on behalf of those widows who I think are unjustly discriminated against. I have had the honour of presenting to the Minister of Militia a petition signed by about one hundred petitioners from the county I have the honour to represent. It seems to me these widows are just as much entitled to the bounty as those who have received it. The argument put up by my hon. friend from North Cape Breton (Mr. McKenzie) covers the ground so well that I have nothing further to say, except to express my hope that the minister will see his way to doing this act of justice.

Sir WILFRID LAURIER: Some weeks ago I called the attention of the Minister of Militia to the fact that quite a number of the land-owners at Valcartier had received no compensation up to that time for their lands which had been expropriated. My hon. friend answered me that a good many of them had been satisfied, that is, those who were willing to agree to the contract submitted to them. He said further that those who had refused the offer made to them had been referred to the Department of Justice, which was taking proceedings to have the matter adjudicated by the courts. I am sorry that I have again to refer to the subject and to say to my hon. friend the Minister of Militia that the men of whom I was speaking the other day have received no compensation up to the present time, and that the treatment they have received is such as to reflect no credit, but the very re-

verse, on the department. I will give to my hon. friend, rather than my own words, the official correspondence which took place in one case, and this case is similar to several others. In order to be absolutely beyond criticism I will give the names and particulars in every instance. On the 29th of August the following letter from William McBain, now Colonel McBain, was sent to one of the land owners by the name of Jos. Griffin:

I have been instructed by the Department of Militia and Defence to notify you herewith that it is their intention to expropriate the land held by you in Valcartier and described as Cad. Nos. thirty and thirty-one on the official plan for the parish of St. Gabriel of Valcartier, containing in all one hundred and twenty-six acres.

I have further been instructed to notify you that it is the intention of the department to take immediate possession of the above described land and to offer you in full and complete settlement therefor the sum of twenty-seven hundred dollars ($2,700). If this offer is not accepted by you within thirty days of the date of this notice, proceedings in expropriation will be commenced.

Kindly take notice of the above and govern yourself accordingly.

Yours truly,
Wm. McBain,
Authorized agent of the Department of Militia and Defence.

Here was a farm of 126 acres for which the department offered $2,700. The owner thought that insufficient and so notified the department, and here is the answer:

Quebec, September 18, 1914.

Colonel W .McBain,
Officer in charge of grounds,
Valcartier Camp.

Dear Sir:

Re the King vs. Jos Griffin.

We have been instructed by Mr. Jos. Griffin to notify you that we cannot accept in full and complete settlement for the damages suffered from the expropriation of his property, lots 30 and 31 on the official plan for the parish of St. Gabriel of Valcartier, the sum of $2,700 offered to him.

Will you kindly, at your earliest convenience, start proceedings before the Exchequer Court in order to have the indemnity determined by the judge.

Kindly acknowledge receipt, and oblige,
Yours faithfully,
Taschereau, Roy, Cannon, Parent & Fitzpatrick.

This further letter was written:

Quebec, September 18, 1914.

Colonel W. McBain,
Officer in charge of grounds,
Valcartier Camp.

Dear Sir:

Re the King vs. Jos Griffin.

Mr. Joseph Griffin, of Valcartier, has requested us to ask permission to keep his cattle and fodder in the barn on the property expropriated from him. He cannot find any place to move them, and he hopes that you will see your way clear to grant his request.

A favourable answer to ourselves or to Mr. Griffin would greatly oblige.

Yours faithfully,
Taschereau, Roy, Cannon, Parent & Fitzpatrick.

To this there was a favourable answer from Colonel McBain, as follows:

Quebec, September 22, 1914.

From Lt.-Col. Wm. McBain,
Officer in Command of Grounds.
To Taschereau, Roy, Cannon, Parent & Fitzpatrick,
Advocates, Quebec .

Dear Sirs:

Re Joseph Griffin .

Replying to your letter of the 18th inst., I am disposed to allow Mr. Griffin to remain on the property expropriated from him, during the winter months. We requested him to move out temporarily while artillery practice is being carried on, but this will not interfere seriously with his farming operations and will in no way affect his cattle and chattels.

Yours truly,
W. McBain, Lieut.-Colonel.

Messrs. Taschereau and Cannon communicated that answer to their client, and on the 25th September they wrote to Colonel McBain:

Quebec, September 25, 1914.

Lieutenant-Colonel W. McBain ,
Officer and Commandant of Ground,
Chateau Frontenac.

Dear Sir:

Re the King vs. Griffin.

We are much obliged for your favour of the 22nd inst., and will communicate with Mr. Griffin. We note, however, with some surprise your contention that the artillery practice, which is being carried on on your client's property does not interfere seriously with his farming operations and can in no way affect his cattle and chattels. We always thought differently as to the probable effect on farming of gun practice.

Yours faithfully,
Taschereau, Roy, Cannon, Parent & Fitzpatrick.

Mr. Griffin was allowed to use his barn and other buildings during the winter season, but nothing was done with regard to paying for the expropriation of his farm. The difference between the Government and Mr. Griffin was that he had refused the offer of $2,700. On November 16, Mr. Griffin received the following letter from Mr. Harris, Assistant Deputy Minister of Militia:

Ottawa, November 16, 1914.

Jos Griffin, Esq.,
Valcartier, Que.

Sir:

Valcartier camp site, re cadastral lots 30 and 31.

Lieut.-Col. Wm. McBain, the agent of this department for the purchase of the properties

within the boundaries of the Valcartier Camp site, has reported that he has been unable to come to satisfactory terms with you for the purchase of your property as shown above, you having refused the sum of $2,700 for the same.

I have the honour to offer you, with a view to obviating the necessity of taking expropriation proceedings and without prejudice, the sum of $3,000 for the property now in question. This offer will remain open until December 1st next.

If this offer is not accepted, it will be necessary to have the price to be paid to you determined by the Exchequer Court.

I have the honour to be, sir,
Your obedient servant,
E. F. Jarvis,
Asst. Deputy Minister.

To this offer of $300 more than the first offer, the following reply was sent:

Quebec, November 25, 1914.

The Secretary,
Militia Council,
Headquarters, Ottawa.

Sir:

Re the King vs, Jos. Griffin.

Your letter, number 67-69-1 of the 16th inst. offering $3,000 for lots 30 and 31 of Valcartier, has been referred to us by our client. We are instructed to state that this offer is not accepted and that Mr. Griffin will feel very much obliged if you will kindly start immediate proceedings, by way of information, before the Exchequer Court, to have the indemnity determined.

Yours truly.
Taschereau, Roy, Cannon, Parent & Fitzpatrick.

That letter was written on the 25th November. The matter was brought to the attention of the House some four weeks ago, and the minister informed me that the cases in which the owners of the land had refused the compensation offered them had been placed in the Department of Justice and that the Department of Justice had taken or was taking proceedings to have the matter adjudicated in court. A discussion took place on the matter in this House about the 1st of March, and on the 5th of March, I received from Mr. Cannon a letter in which he states:

I have read with great interest the debate which took place the other day between you and Colonel Hughes on the subject of the manner in which the farmers of Valcartier are treated.

I represent Frank McLaughlin, Hugh Bowles, Madame Veuve Conway, Thomas Thompson, Michael Woodlock and Joseph Griffin, and notwithstanding all my efforts I have not yet succeeded in having proceedings in the Exchequer Court to fix the amount of the indemnity.

I replied to Mr. Cannon, whom I know very well, asking him if I was to understand that up to that date nothing had been done before the Exchequer Court, and on the 10th of March he wrote me:

[Sir Wilfrid Laurier.]

I have received your letter of the 8th, and I must tell you again that notwithstanding all my efforts we have not yet succeeded in obtaining the least satisfaction, and that no proceedings out of the Court of Exchequer have yet been served upon my clients.

On the 25th of November last, the department was asked to have the matter started at once in the Exchequer Court, and up to the 10th of March no proceeding had yet been taken. I ask the Minister of Militia and I ask the Government if such negligence is not almost criminal? These people are in fair circumstances, but they are not millionaires, and having been deprived of their land they should have been paid compensation long ago, or the matter should have been promptly taken to the Court. Mr. Cannon, who belongs to one of the leading law firms in the province of Quebec, represents seven or eight of these people. Yesterday morning I received a letter from another party, who was not a client of Mr. Cannon's, appealing still more and bringing a very sad case to my notice. I am sorry to say that it must reflect very severely upon the administration of the department. This is the letter I have received:

Valcartier Village, Que.,
March 23, 1915.

To Sir Wilfrid Laurier:

Sir,—I am taking the liberty of addressing you on behalf of my own family with regard to this land which is being taken up for the "Artillery Camp.", Our land is 120 acres and runs up to the camp ground from the Valcartier road, 75 acres or so being in a line with those large mountains, which part we agreed to sell at a moderate rate.

My husband's people have owned this land for a century, and, although it is not a model farm, have made a living on it. On September 4, 1914, the agent in charge of the camp sent a gang of men and tore down our fences, even a garden patch; and as the crop was not taken up, it was completely destroyed by the horses and cattle, while we were ordered to keep our cattle in the barn away from the shooting range. Now we have not received one cent for all this damage and have had to buy feed for our cattle at present rates. We have a family to keep, school, clothe, etc., and as last spring my husband had to go through a very dangerous and expensive operation in hospital, we cannot afford to lose our last year's crop. I am sure this matter has not been investigated by proper authorities or we would never be so abused.

The spring coming so soon and nothing settled leaves a poor lookout for us farmers. For confirmation of my statements I refer you to Mr. A. Robertson, K.C., 61 St. Peter street, Que. He has our bill and understands the case.

I am, yours very respectfully,
(Sgd.) Mrs. Rich. Smith.

To-day is the 26th of March. This is a poor family whose property has been ex-

propriated. Must I appeal to the sensibilities and the good feeling of my hon. friend the minister? He should take this case to heart and see that those people at once receive what is their fair due. This family is in sad circumstances through the sickness of the bread-winner; the wife appeals to me, and I appeal to the minister that this outrage should not be perpetrated any longer.

Major General HUGHES: Since the date of the letter read by my right hon. friend, some 18 or 20 of those who had formerly declined to accept the valuations have settled. There is not a solitary family at Valcartier that was not offered the highest valuation given by any of the valuators appointed to go over the whole district and make a fair valuation plus the cost of removal. Possibly the mistake was that our department did not put the matter into the hands of the Exchequer Court at once, but we thought that we could settle with those people on a fair and square basis. There were matters of fact which could have been settled in the Exchequer Court; but a number of those people, who were ready to settle, received all that they expected for the land plus the removal expenses and the cost of the crop. Every crop that was touched was paid for. With the exception of four or five, all those people were ready to settle. Those who did acquiesce in the valuations were, we understood, approached by interested persons from the city and induced to hold out for a higher valuation. In many cases, to prevent any trouble, we offered what they asked themselves. As my right hon. friend pointed out, one party received $300 more than he asked.

Sir WILFRID LAURIER: No.

Major General HUGHES: Yes. We have done everything in our power to meet the wishes of those people in that regard, and to have the matter amicably settled, letting the people go to other homes. The department is now taking the ground that any one who does not settle immediately will have his case put into the Exchequer Court.

Sir WILFRID LAURIER: That answer is not at all satisfactory. I am told to-day that the matter will be put into the hands of the Exchequer Court. I have produced a letter from the attorney of one of those people asking on the 25th of November last that the matter should be at once put into the hands of the Exchequer Court, and I am told on the 26th of March that that will be done. It should have been done months ago. There is no possible excuse for its not having been done before. That there have been differences of opinion between the man who receives the money and the man who pays it is natural enough. A man by the name of Griffin was offered $2,700 and that was not accepted. That offer was increased to $3,000 and it was not accepted. His attorney said: "We ask you as a favour to have the matter brought before the Exchequer Court." That occurred on the 25th of November. I have the authority of counsel for saying that on the 10th of March it was not done. To-day the only satisfaction which I receive from my hon. friend the minister is that the matter will be brought into court immediately. I complain that the matter was not attended to long ago when it should have been attended to.

Major General HUGHES: The right hon. gentleman mentions a man of the name of Griffin. I do not know whether there is more than one person of that name at Valcartier, but in the last week of September, a man of the name of Griffin told me that he was well satisfied with his valuation and that he was willing to leave his own farm. He thought it would be to his advantage to move, as a great many people, before we went to Valcartier at all, had been forced to leave the land because it was so poor in quality, and they had gone to Quebec and done remarkably well. I was very much astonished to find that that gentleman had held out.

Sir ROBERT BORDEN: The Crown has very extraordinary powers with regard to expropriation of land for public purposes, and those powers are necessary. By a mere filing of a plan and description in the registry office, the title of the occupant and the titles of all persons interested become absolutely vested in the Crown. In addition to that, it is not competent for the person in occupation of the land to take any proceedings himself, because under a statute amending the former Expropriation Act, which was passed fourteen or fifteen years ago, the proceedings must be instituted by the Crown. I therefore entirely agree that there should be prompt action when a man's property is taken and the price cannot be agreed upon. In some of those cases there was a price agreed upon, and afterwards the person who had orally

or otherwise agreed to accept a certain figure thought that he was entitled to more. That would naturally be a reason for some delay. I take the view, however, that when it is once definitely ascertained that a price cannot be agreed upon between the Crown and a person whose land is being expropriated, then there should be no delay whatever in getting the matter to the Exchequer Court, because until the matter has been settled there, the man cannot obtain his money. Therefore I hope there will be no further delay in putting into the Exchequer Court the case of any man whose property is expropriated, when there is any difference of opinion as to the price. I can assure my right hon. friend that, being impressed by that view, I will take some personal interest in the matter and confer with my hon. friend the Minister of Militia and with the Department of Justice, and ascertain the reasons for the delay and see that there shall not be further unnecessary delay in getting these matters settled.

Sir WILFRID LAURIER: I am very glad to hear from the Prime Minister that he will take an interest himself in these matters. I know very well that there are differences of opinion and that sometimes a man may be asking too much. In any such case, the matter should be at once put into the Exchequer Court.

Mr. SINCLAIR: I would not ask the indulgence of the committee, even for a few minutes, were it not that I desire to correct a curious error which my hon. friend from Cumberland (Mr. Rhodes) fell into last night. I was not present when he commenced his speech, but I have had an opportunity of reading it in Hansard. He produced a number of affidavits which he read to the committee. It will be remembered by hon. members who have taken an interest in the discussion about the 17th Regiment of Nova Scotia, that I read a memorandum a few days ago signed by a number of soldiers who had been connected in some way with the 17th Battalion. This memorandum purported to corroborate the statements made by the Morning Chronicle, and to be signed by these gentlemen. I wish to make it clear to the House and to the Minister of Militia that I had nothing to do with the preparation of that memorandum. It was sent to me by Mr. Crowell, a reporter of the Morning Chronicle. In justice to Mr. Crowell, I thought it proper to lay it before the committee. The hon. member for Cumberland comes on with a long list of affidavits from soldiers whose names were not on the memorandum. Why he produced these affidavits I find it difficult to understand. The first affidavit is from Robert Aldridge, of Toronto. He tells us a long story about Spas Stackoff, who, it appears, signed a paper and got a cigar for signing it. I do not know who Robert Aldridge is. He is not one of the men who signed the paper which I presented to the House—he does not figure in that paper at all. The next affidavit read by my hon. friend is by Mr. Stackoff himself. He tells a long story, and says he signed a paper and got a cigar. But he did not sign the paper I presented. The only document before the committee with the name of Stackoff on it is the one presented by the hon. member for Cumberland. I can only assume that Mr. Stackoff must have got a cigar for signing that paper.

Mr. RHODES: I never saw this interesting memorandum to which the hon. gentleman refers. Has he the memorandum?

Mr. SINCLAIR: I haven't it here.

Mr. RHODES: Can the hon. member get it?

Mr. SINCLAIR: I can.

Mr. RHODES: The original?

Mr. SINCLAIR: The original is in Mr. Crowell's hands. I can get it for my hon. friend. A correct copy of it is in Hansard, and if the hon. gentleman will refer to it he will find that his friends, Stackoff and Aldridge, are not named there. So, they could not have got a cigar for signing that memorandum. The name on the next affidavit is William Thomas Oldridge, of London, Ontario. My hon. friend may know who he is; I do not. This gentleman says that Mr. Stackoff could not read. That is interesting information in itself, but I do not see how it concerns the House at this time. He says also that Stackoff signed a document and got a cigar. But William Thomas Oldridge did not sign the memorandum that I submitted to the House. If he got a cigar for signing a document it must have been for signing the affidavit submitted by the hon. member for Cumberland. These soldiers seem to have received cigars for signing papers. But as they did not sign the paper I submitted to the House, I cannot see any reason for reading these affidavits. The next affidavit is by Albert Harris, of Toronto. This is another man whom I never heard of before and whose name does not ap-

pear on the document I submitted. I do not wish to weary the committee going over the matter, but I want to point out that my hon. friend could not have read the memorandum sent to me by Mr. Crowell or he would not have read these affidavits.

Also, I would point out that at the time when he was dealing with these affidavits, the hon. gentleman must have had in his possession the letter of his friend Colonel Struan Robertson. He must have known what that hon. gentleman said in regard to these matters. It does not interest us very much what these other men from other parts of the country did or did not know about it. There are also two men from my hon. friend's constituency, Captain Bent and Captain Cutten who signed the memorandum read by my hon. friend from Richmond (Mr. Kyte.) If, as I understand, these men come from Cumberland, my hon. friend (Mr. Rhodes) will probably know them and know whether they are men to be depended upon or not. We have statements from them similar to those published in the Morning Chronicle at the time, and I would like to know whether or not we can depend upon anything they say.

I do not wish to delay the committee, but the whole difficulty seems to have arisen from the appointment of Colonel Struan Robertson to the command, and the only man responsible for that is the Minister of Militia. The minister, I understand, passed over other men who were entitled by seniority to the position which Mr. Robertson got. Mr. Robertson was a competent man, or he was not a competent man. If he was competent, the Minister of Militia should have stood by him and helped him through; if he was not competent the minister should have dismissed him and put a competent man in his place. That, it appears to me, is the whole story. It is for the minister to explain why this man failed so badly in the management of the Nova Scotia battalion. When he found that Colonel Robertson was not getting along very well in the position in which he had placed him and that he had not enough men to form a battalion, he should have sent for him, taken him into his tent, talked it over with him and assisted him to send back to Nova Scotia to recruit men. Men could easily have been had. The proof of that is that since that date a regiment has been recruited in that province. If the minister had stood by Colonel Robertson there would have been no trouble about it. He seems to have got into an altercation and into trouble with him. It is not for me to explain that. He should have done one thing or the other—he should have stood by Colonel Robertson loyally and made the battalion a success, or he should have dismissed him and put one of the other men who, I am told, are competent men, in his place, so that the battalion would have had a chance to be of service to the country. That is the whole question, and it seems to me that the Minister of Militia has not yet given us a satisfactory explanation of this matter.

Mr. RHODES: Knowing the persistency of the hon. member for Guysborough, I should be the last person in the world to enter into a verbal controversy with him in this committee, because I could never expect to succeed in having the last word. But he has made one or two remarks to-day which, I think, call for a few words from me. It is unfortunate that the hon. gentleman should continue from day to day to mention this matter even in a mild and brief way, because it serves only to accentuate the feeling of disquietude and unrest on the part of the friends at home of those who are now at the front. The hon. member for Guysborough can serve but one purpose in bringing this matter to the attention of the committee, and that is the making of political capital for himself and his friends in the province of Nova Scotia.

Mr. SINCLAIR: The person chiefly concerned in this matter is the hon. gentleman's own political friend.

Mr. RHODES: The hon. member for Guysborough, in common with other hon. gentlemen on the other side of the House, fail utterly to grasp the significance of this question. If there is anything in it at all, it is a matter respecting the regiment concerned and the province which it represents. I say respectfully but sincerely that the fact that there are in this matter considerations above and beyond Major Struan Robertson or any other individual or group of individuals, seems to be too comprehensive to be grasped by the hon. gentleman's intellect. The point at issue is a matter affecting not particularly Major Struan Robertson, or Brown or Smith, but a regiment representing a province; I say this without the least desire to give offence to the hon. member for Guysborough. The hon. member is entirely too sensitive; he apparently thinks that any remarks which I made in regard to this matter last night were addressed particularly to himself.

Mr. SINCLAIR: Oh, no.

Mr. RHODES: Or to his memorandum. It was quite open to me to read the affidavit of Stackoff or of any other person which had particular reference to the matter under discussion. The hon. member for Guysborough admits that he read to the committee what purported to be a copy of the memorandum, the original of which is in the hands of Mr. Crowell of the Halifax Chronicle. I think it is incompetent and unfair for the hon. member to say that the memorandum which he read is a fair copy unless he has seen the original, and having compared it with the one in his possession, is thereby enabled to make that assertion. While I was not present when these affidavits were prepared, I have every reason to believe that while they were made by men whose names did not appear upon the memorandum read by the hon. member for Guysborough. They may have been made by men who signed the memorandum which was the original of the one read by the hon. member for Guysborough, some of the names on which had been erased. They may have been made by men who signed statements which were used in Halifax and which possibly appeared in the Halifax Morning Chronicle. But the argument of the hon. member was purely specious. If he will look carefully at his memorandum he will find that these names were mentioned in it: H. Clarson; David Walters, of Cayuga, Ont.; H. Dobson, 577 La Salle road, Verdun, Montreal; W. H. Stearn, Lakehurst, Ont. I read affidavits signed by each of these four men, and I submit that this was perfectly good and competent evidence for me to submit.

Mr. SINCLAIR: I wish to correct the hon. gentleman: Walter Stearn, of Peterborough, not W. H. Stearn, of Lakehurst, Ont., was the man whose affidavit was read.

Mr. RHODES: There may be some difference in the addresses, but my impression is that W. H. Stearn, whose affidavit I read last night, is the same man whose name is said to appear in the memorandum read by my hon. friend. To continue this discussion from day to day can serve no useful purpose, unless, possibly, that of gaining some small political advantage. I say possibly, because I do not believe that you can make small political capital out of a big question like this. And I believe that the people of the province of Nova Scotia are patriotic enough, big-minded and broad-minded enough, not to be misled by any small side issues which may be brought up while a great world war is taking place. It would be far better to leave this matter in abeyance until the men return from the front, because we cannot submit competent proof of the truth or falsity of the various statements until they do return. In the meantime, I think we ought to put our shoulders to the wheel, forget these small differences, and let the matter rest quietly. The Morning Chronicle, I think, made a very serious mistake—I say this not from a partisan standpoint—in publishing Mr. Crowell's letter, and those who read that paper observe that they regret the publication of that letter, because they are climbing down gracefully. But let us forget that. I am sure that if hon. gentlemen on the other side of the House will let the matter rest quietly, we on this side will do the same. I am not authorized to speak for the Minister of Militia and the Government, but I am sure that they are most anxious that the fullest and most complete inquiry shall be made into this whole affair when the proper time arrives.

Mr. SINCLAIR: No man likes the quiet life more than I do, but I wish to point out to my hon. friend that he misled the committee last night—not intentionally, I suppose—in reading these affidavits, because many hon. gentlemen supposed that they were made by the same men who had signed the memorandum which I had read to the committee, that these men signed the memorandum for a cigar, and that they did not know what they were signing. It turns out, however, that the great majority of the men whose affidavits were read by the hon. gentleman were not the same men at all, and that they had not signed the memorandum to which I referred. That was my reason for bringing up the matter again this afternoon, and I think my hon. friend will appreciate my attitude in the matter, because I do not think he would wish to leave a wrong impression upon the minds of hon. gentlemen of the committee.

Mr. OLIVER: What was the reason which led to the purchase and fitting up of Valcartier camp, and what did it cost?

Major General HUGHES: The department has been for a number of years selecting manoeuvring points in the military divisions of the country. We have one at Medicine Hat, one near Moosejaw, which

has not been used much as yet, one at Sewell, Manitoba, a small area in Toronto, the Petawawa camp and so on. We have camps in various military divisions in order to avoid the expense of transporting the troops for long distances. A few years ago I pointed out to the House that in three years the cost of transporting the troops of each division to one central camp would pay the cost of these various manoeuvring areas. It was with the object of avoiding this expense that we looked up a manoeuvring area for Quebec.

Quebec being a very important summer seaport, it was deemed advisable to select the area as near the city as possible, and it has been generally conceded that the department was fortunate in securing the area at Valcartier. I have not the figures of the cost, but I shall be glad to furnish them.

Mr. OLIVER: I am to understand that the camp at Valcartier was not purchased with any relation to the existing war conditions; it was merely in carrying out the ordinary policy of the department?

Major General HUGHES: During the summer, before war broke out at all, we had taken a portion of the land; then, when the war broke out, we took the balance of the present area.

Mr. OLIVER: I wish to have it thoroughly understood that the purchase of the camp at Valcartier was in pursuance of the general policy of the department and had no relation to the existence of war conditions. Therefore I presume it is paid for out of the ordinary militia appropriation.

In regard to rifle ranges, I should like to impress upon the minister, what perhaps is not necessary, that at a time like the present, when it is desirable that there should be an expansion of military knowledge, of which the most essential part is the use of the rifle, the department might very well give special attention to the securing and the fitting up of rifle ranges for the use not only of the enrolled militia but also of the civilian population who take an interest in rifle practice. At Edmonton the Government possesses a rifle range in a convenient situation which has not been in use and has not been replaced. I think it most important that if that range is not available it should be replaced by some other range. There is a large centre of population there, a large number of people who desire to practise rifle shooting, partly as a measure of amusement and partly as a military preparation. They have been debarred from doing so during the strenuous conditions that have existed during the past six months. Has the minister had in hand the securing of a convenient rifle range in the vicinity and what progress has been made and what are the prospects there?

Major General HUGHES: I am glad the hon. member has brought this matter up and by his criticism has given me support in this matter. We have a rifle range at Edmonton, but it is right in the city, and there are houses right in the line of fire. While there is not any legal process which prevents us from using it, it is not what we call a safe range, and therefore we did not feel inclined to use it on account of the danger. We had selected a site eight or nine miles south of Edmonton, but there was no means of getting there unless we chartered a train every time we wanted to take men to the range. I was assured that there was a probability of a street car line being extended to the west of the city out towards the Indian reserve, and I would like to have my hon. friend look over the map with me sometime, when I would point out to him two or three places we have had in mind. The only objection to them is that at present they are inaccessible. My officers have looked around Edmonton in every direction. Between Edmonton and Fort Saskatchewan the land is very dear, and down the valley it is practically all in use for other purposes. North of the city we have no proper land. I would be glad to receive any suggestion from the hon. gentleman, because it is a very important matter. We can sell the range we now have in Edmonton, even at a fair price, which would more than pay for a very extensive range.

5 p.m.

Mr. OLIVER: While the range now owned by the Government is within the city limits, there has not been such an increase in building in the line of fire as would lead one to believe that the range was unduly dangerous. I quite appreciate that it is within the city limits with buildings liable to be erected within the line of fire, and that it is not desirable that this range should be considered a permanent one; but I certainly do think that during the past half year, when considerable interest was taken in militia matters, a special case might very well have been made for the opening of rifle practice upon that range. I really think that the militia authorities

have not shown that interest in the matter that they might very well have shown. As to what may be done in the spring, I would still urge on the minister a careful examination of the existing range and of the ground likely to be dangerously occupied in its neighbourhood. If arrangements could be made that would allow rifle practice to be carried on with a reasonable degree of safety until such time as the department might be able to secure another convenient range, it would be a distinct advantage. It must be remembered that this particular range is very conveniently situated and that there is no possibility of getting another as conveniently situated. Therefore, there is an object in using that range if on careful examination it is found to be practicable. I am a little afraid that when that range was rejected the rejection was made rather because of real estate speculation than because of the actual circumstances of the case; and as real estate speculation is not as buoyant as it was, possibly, on re-examination, the decision of the department might be reversed.

Major General HUGHES: We are not negligent in the matter. Not only have I had the engineers of the department examine the locality, but I have examined it myself. In the line of fire there are within one and a half miles of the rear of the target twenty or thirty houses, if not more. The rule is that a range to be safe must have a 400-foot hill or embankment in the rear, or a 2,500 yards area free of houses. At Bisley a few years ago, during rifle practice, a child was killed who was standing 5,000 yards in the rear. The bullet glanced from the frozen ground and struck her. If the hon. member will just try to picture a distance of 2,500 yards—and a bullet will easily go that distance—he will see that at the place he speaks of a bullet might very easily go right out to his own property, or if it were shot in the other direction thirty or forty houses would be right in the line of fire. I know that an agitation was got up at the time, and I think it was due to the very thing that my hon. friend speaks of. The place is quite unsafe for a range. Our engineers have examined it, and I have looked at it myself on two occasions within the last year and a half. The hill is not 400 feet high; it is only 190 feet.

Mr. OLIVER: It would not be profitable for me to argue with the minister, but my understanding of the situation is not identical with his. I do not think that there are houses behind, as my hon. friend says. However, all I ask is that a re-examination be made of the place to ascertain the actual facts, not with a view to using it as a permanent range, but simply as a temporary expedient, so that those who desire to have rifle practice may be able to get it, pending the securing of an adequate range. I understand that the range at Fort Saskatchewan is in much the same position, and I would ask that it be re-examined too, with a view to its being used in the spring as a temporary range until a permanent one can be secured. I quite appreciate that the securing of a permanent range is a very serious matter.

Major General HUGHES: If the hon. member knows any safe range near Edmonton that would do for the time being, I shall be glad to rent it in order that the boys can get practice during the coming weeks. I would send out my engineers right away.

Mr. OLIVER: I would certainly appreciate it very much if the minister could locate temporary ranges. I know that a large number of people are eager to get rifle practice.

Mr. McKENZIE: I do not wish to interfere with the more important work of the committee, but there is a matter which I have already brought to the notice of the minister in regard to military matters in my part of the country, and which I feel I should not be doing my duty to myself, to my constituents or to the public generally if I did not bring it publicly to the notice of the Minister of Militia and of the Prime Minister. In the part of the Dominion from which I come I am proud to say that we have responded in the most hearty manner to the call of our country in respect to everything that could be done to show our desire to assist in the strenuous fight that the country is now putting up not only for its own protection, but for the protection of every part of the Empire. We are always glad to assist in whatever is going on in our part of the country in furthering that cause. I must complain to the minister that while sons of all families, irrespective of politics, were coming out, whenever any little favour was to be shown, whenever a dollar was to be spent or anything done that would be of any profit, then the party line was drawn as rigidly and as closely as ever it could be drawn; and I wish to bring home to the minister that he and everybody under him connected with that matter were of the narrowest possible kind of partisans. For that alone,

however, I would not bring this matter up; but when militarism, and partyism, and Toryism get together for the purpose of interfering with the administration of justice in the High Court of Justice in the province of Nova Scotia, it is time that the people of this Dominion should know where such interference comes from, and whether it is going to be tolerated. During last November, I think it was, a very serious and important action was being tried in the county of Victoria. A man in the militia was an important witness in the case. A subpoena was served upon him and his conduct money given to him at the city of Sydney. I was counsel in the case, and I went to the colonel in command and said as respectfully as I could: "There is a man in your camp here who is a witness in an important case in the county of Victoria. He has been served with a subpoena from the Supreme Court and has been given his conduct money, and I hope you will let him go." He positively told me, "No, I will not let him go." He knew what the case was, he knew it was an election trial, and he was a Tory himself. He told me bluntly, "I will not let him go." We then took steps to get an order from the officer at Halifax, whose name I forget, but he was a gentleman. He issued an order that this man should attend the court under escort, that the escort should take him there and bring him back. That was perfectly satisfactory, and, I presume, according to the proper rules of the service. But the other officer was not to be outdone. He learned that this order had been issued over his head, and what did he do? He gave orders that the man should leave camp in civilian clothes, and the man was taken in charge by some Tory henchmen and stolen out of the country and landed in St. John's, Newfoundland. He was kept there for fully a week until they thought the trial was over. Then the men who stole him out of the country and took him to Newfoundland thought it was safe to leave him. They left the man, and he came back to Canada. We found out that he had returned and sent officers after him. We put him on the stand and he told his story. He told the story that he was stolen from the camp, and that he went out in civilian clothes by order of the officer in charge. They never looked for him; they knew where he was, and that there were parties who were going to steal him out of the country so that he should not give evidence. But he gave evidence on oath, which is a matter of record in the province, how he was stolen out of the country, and how he was permitted to leave camp. His name is Walter Tickner. Why was he wanted as a witness? He was wanted because during a certain election in the county of Victoria he was sent as pilot with four personators. These four personators were taken from the county of Cape Breton into the county of Victoria for the purpose of voting. They had no business to vote; it was well known they had not a vote in the county of Victoria, but these four men who were strangers in the county were guided by this fellow to a place called Middle River, where they swore falsely to certain names and voted. The man then took them to North Gut, where again they swore falsely to certain names and voted. They voted twice on the same day. This man Tickner was required as a witness in the election trial, but the Tory machine, headed by Mr. Douglas, Mr. Muirhead and Dr. Hayes, stole him out of the country. The officers of the militia were hand in glove with them and helped them to take him out of the country, and they tried, if possible, to prevent him giving evidence before the Supreme Court of our province. I wrote that to the minister very shortly after the trial, but from that day to this I am not aware that the slightest action has been taken. The officers who were parties to stealing this man out of the country are still in charge as they were, and I never heard there was any complaint made about them. When conduct of that kind is committed by a minister of the Crown, by colonels and officers and generals in this country, and an attempt made to carry out small, dark, dirty politics, I think it is my duty, standing in this House, to let the country at large know what the Premier knows, that that is the way some of the money voted here is being used, and that instead of being used for the defence of the country it is used for defending the low intrigues of such men as Dr. Hayes, J. C. Douglas, M.P.P. and Mr. Muirhead. I say I would not be doing justice to this great country, and I would not have a proper conception of the administration of justice in this country, if I did not bring this matter to the attention of the House.

Major General HUGHES: I received a communication from the hon. member (Mr. McKenzie), and I immediately asked for a report. The report furnished to me was that this soldier had been sent on some mission and had been absent for some time, and

that he returned and gave evidence on the trial. If my memory serves me right, I was informed that the officer in charge was one of the staunchest Liberals in the country, a gentleman by the name of Major McLean. I do not know whether I am talking by the card or not, but the report to me was along these lines; that is, from the military view point, and I do not let political squabbles interfere at all in these matters. The soldier, on the occasion of my visit, happened to be the sergeant of the guard, I remembered his name, having heard it from my hon. friend, and I made further inquiries from the military view point, and I was told on that occasion that there had been nothing irregular, that the order had been given from Halifax in proper form, and that before the order was received the man had been sent on his mission. I was assured at the time that the officer in command was one of the staunchest of Liberals, and a supporter of my hon. friend.

Mr. McKENZIE: The Minister of Militia is certainly misled on that point, because this man came into Major McLean's command a long time after the trial was over and after he had come back from Newfoundland. But, when he was serving in Sydney and when he was spirited out of the country, he was under the charge of Colonel McRae. Major McLean had nothing to do with him until a long time after the trial was over.

Mr. SINCLAIR: There are about one hundred men stationed at Canso, N.S., protecting the cable station, and when I was at Canso last fall I was informed that these young men had no opportunity to practise rifle shooting. I was told they had made application to the department to be allowed to do some rifle shooting, and I thought it would be very desirable if their request were acceded to. I wrote the minister at the time and he was kind enough to reply that he was having the matter looked into. Have any steps been taken to establish a rifle range there, so as to enable these young men who are guarding the cable station, to practise shooting?

Major General HUGHES: I have taken steps at all these stations where there are troops to have them allowed from 50 to 75 rounds per man for practice. In some places rifle shooting is dangerous, and we must first look to the safety of the people. Canso is one of the places I was unable to visit when I was in the Maritime Provinces, but I was at Sydney Mines, North Sydney, Glace Bay, and other places. I was shocked to see the places in which our soldiers were obliged to stay. They were as fine-looking a lot of soldiers as one could find in the wide world; splendid-looking fellows and well up in their drill. The places they slept in were ill-lighted, and without water or baths, and I immediately gave orders that there should be electric lights and water and baths installed. The order was a general one, and I presume it was carried out in Canso.

Mr. OLIVER: There are throughout the country schools for training officers, and not being a military man I would like the minister to explain what results are expected from these training schools.

Sir ROBERT BORDEN: That will all be found in yesterday's Hansard.

Major General HUGHES: A great many boys have gone to the front and we want officers for the regular militia and for the corps that are to be raised, and these officers have to be trained. We take any young man who is a militiaman, and if he is not a militiaman we make him one, if he is sound mentally and physically, we give him an opportunity to train. These schools are turning out a lot of fine boys all over the Dominion, ready to take the places of the boys who have already gone to the front.

Mr. OLIVER: That is a very general statement, but as the information was given more in detail yesterday, I shall look at it in Hansard.

Mr. SINCLAIR: It is stated that a committee of the Cabinet was appointed to purchase supplies when the Minister of Militia was absent. Would the minister state if this committee is yet in existence, and of what ministers is it composed?

Sir ROBERT BORDEN: I have prepared the fullest information about that and will give it on the War Appropriation measure tomorrow.

Militia and Defence—training areas, $200,000.

Mr. OLIVER: In what localities are further training areas to be secured?

Major General HUGHES: We have provided for them in British Columbia, but we have not located them yet. We have one in southern Alberta, but we want one in northern Alberta, and the same thing applies to Saskatchewan. We have one in Manitoba, but we want one in the

second military district, Toronto in time, and one in the first military district in time. The saving of transportation charges alone would in three years pay for these areas.

Mr. OLIVER: In Alberta, at present the military training is being carried on at Calgary, which I should fancy is a very suitable location for concentrating troops. Has the Government secured a leasehold of the training area there, or under what conditions have they been able to use that property.

Major General HUGHES: The training area is on the Indian reserve. The Indians offered us a lease of several sections of land; but, as there were certain little difficulties in the way on account of other claims, we have not yet received a permanent release of the Piegan Indian reserve. There is on the reserve a range and a manoeuvring area that we shall be able to hold for 99 years. The Indians are willing; but there are conditions, of which I do not know the details, which prevent us from consummating the deal. It is, however, a long haul from Lloydminster and from the boundaries of Alberta and Saskatchewan to Calgary, and that means many thousand dollars a year. When we get a troop area, all the troops in the north, as the different bodies gradually develop, can be brought to some home locality for training.

Mr. OLIVER: I rather understood the minister to say a little while ago that there was a training area in Alberta near Medicine Hat?

Major General HUGHES: Just north of Medicine Hat.

Mr. OLIVER: I wondered what was the connection, because I had not heard of troops being trained in that area.

Major General HUGHES: There was no railway there last year, and we would have had to go 30 miles without a railway. There is now a railway. The area may do for the whole of Alberta. The troops can go down those diagonal lines from the northern parts of Alberta to that range. We have not looked fully into the matter yet.

Mr. OLIVER: If it is possible to make an arrangement for a training area, it would be very much more desirable than the area my hon. friend speaks about, because it is not near Medicine Hat, although it is in the Medicine Hat district.

Major General HUGHES: It is 30 miles north of Medicine Hat.

Mr. OLIVER: It is on a single line of railway, not at a point where lines come together. I quite appreciate the desirability of securing an area in the north country as well as in the south. I would be glad to see that done, but I think it should always be done with regard to convenience of location; that is, convenience for the bringing together of the different bodies of troops, if a considerable area can be secured at such a point, as it can be at Calgary.

Pensions payable to militiamen on account of the rebellion in 1885, and active service generally, $100,000.

Mr. OLIVER: Is this in relation to pensions already earned, or has it any relation to pensions to be earned?

Major General HUGHES: These pensions are payable to militiamen on account of the rebellion in 1885.

Mr OLIVER: Is any provision made in the Estimates for pensions for soldiers disabled in the present war?

Sir ROBERT BORDEN: That will be a matter for the Supplementary Estimates.

I beg to move that the Committee rise, report progress and ask leave to sit again this day.

Motion agreed to.

Progress reported.

HOUSE OF COMMONS REPRESENTATION AMENDMENT BILL.

CORRECTION OF CLERICAL ERRORS.

Sir ROBERT BORDEN (Prime Minister) moved for leave to introduce Bill No. 106, to amend the Representation Act of 1914. He said: This Bill has been prepared by the law clerk of the House upon information afforded by the Clerk of the Crown in Chancery, and it is designed to correct errors in the Act of last year. The first section makes some amendment in the electoral district of Nipissing by striking out the word "Kelly," and correcting the spelling of another word. The second section re-enacts the description of the electoral district of the city of London, which required some amendment. The third section makes some corrections in spelling. The fourth section amends the description of the electoral district of Quebec West. The fifth section makes a correction in respect of the electoral district of Jacques

Cartier. The sixth section makes correction in respect of the electoral district of Labelle. The seventh section corrects the proviso in reference to the electoral districts of Prince Edward Island. As it passed last year, it related to a resolution of Parliament of that session. That resolution did not pass owing to some difference of opinion between this House and the Senate. The eighth and ninth sections make some corrections in two divisions in the province of Manitoba.

Motion agreed to, and Bill read the first time.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Immigration—salaries of agents and employees in Canada, Great Britain and foreign countries, $620,000.

Mr. SINCLAIR: Has a special immigration officer or publicity agent been appointed for eastern Nova Scotia?

Hon. W. J. ROCHE (Minister of the Interior): A petition was received yesterday or to-day, and is in my office, asking for the appointment; but it has not been given the consideration necessary, and no appointment has been made.

Mr. SINCLAIR: And the hon. minister cannot state whether he will make the appointment or not?

Mr. ROCHE: Does the hon. member think it essential? He is better acquainted with the province than I am. I should like to have the benefit of his opinion.

Mr. WILLIAM CHISHOLM: I am surprised to hear that it is only now the hon. minister is aware of the necessity of such a publicity agent. There was a petition over a year ago, backed by resolutions of the Board of Trade and the Forward Movement Association; and I called the attention of the minister last year to the desirability of such an appointment being made. The hon. gentleman said then that he would give it favourable consideration. It is rather surprising to find that he does not seem to know anything about this matter except that a petition has just come in. There were representations made from all over the country, not only from Antigonish, but from the several towns in eastern Nova Scotia, and backed by many men of standing and prominence in that part of the country, urging this appointment. The files of the department are loaded down with correspondence on this subject. Not only was the minister importuned, but the acting minister in his absence, and the Prime Minister and others have been urged to make this appointment. It seems strange that the minister is not aware of the necessity and desirability of such an appointment being made. All that I can say is that my remarks, made when the Estimates were going through last year with reference to this question, will be found on Hansard. It was then stated, as strongly as I could state it, that it was desirable that an energetic, wide-awake agent should be appointed.

An unfortunate thing is that the rural districts have lost population, particularly the county I have the honour to represent, this being due to the fact that the West was so extensively advertised. The effort is now being made to have the vacant farms taken hold of by the native-born and by immigrants from across the water. Of course, I suppose, just now we cannot expect very much in the way of immigration from Europe. But there are a great many of our native sons living in the West who would very quickly come back to the East, and the time, I think, is very opportune for the work of an energetic publicity agent who would bring to the notice of our own people as well as others not only the possibilities but the advantages offered by the farms of the East. I hope the minister will be able to say something a little more definite than that the matter is under consideration and that he has had it under consideration for only a few days.

Mr. ROCHE: It is not often that hon. gentlemen opposite condemn a minister for not making sufficient appointments. The criticisms to which we are subject are usually on the opposite line. Of course, in the multiplicity of applications hon. gentlemen cannot expect that I should have this one that has been mentioned by the hon. member for Guysborough immediately in mind and that I should recollect just what took place a year ago. But the matter is fresh in my mind by reason of the fact that there is a petition on my desk which I have recently received and to which I have not had time to give the consideration it deserves. That does not necessarily mean, of course, that I will not pass favourably upon it. I am glad to have had the opinion of the hon. member for Antigonish (Mr. Chisholm) as to the desirability of having such an appointment. The only reason why I would hesitate is that I have to endeavour

to economize by not making more new appointments than are absolutely necessary. As the hon. gentleman says, there will not be very much overseas immigration this year. There may be immigration from the United States, although we expect that that also will fall off. That is one reason why I do not care to multiply the officials if I can possibly avoid it. At the same time, if I am impressed with the idea that in any particular province there is necessity to have another official publicity agent as the hon. gentleman suggests, and it falls within the purview of our department to make such an appointment, I have no objection to favourably consider it.

Mr. BURNHAM: Do I gather from what the minister says that it is the intention to appoint a publicity agent to induce immigration from various parts of this country to other parts?

Mr. ROCHE: No, the work is more that of repatriation. I think the petition that I read this morning dwells upon the idea of inducing immigrants from outside of Canada to come to the province of Nova Scotia. There have been some complaints—we had mention of it here to-day—that the attention of the Immigration Department has been more particularly devoted to Western Canada, and it is suggested that Nova Scotia probably has not had its due in that respect. It was not with the idea of running a publicity bureau alone, but of appointing an immigration agent for the province of Nova Scotia.

Mr. BURNHAM: Perhaps the hon. minister will say what he meant by speaking of the repatriation of Nova Scotians who have gone West.

Mr. ROCHE: The hon. gentleman misunderstood me; I was not referring to Nova Scotians who have gone West. There are a number of Canadians in the United States who might be repatriated.

Mr. WILLIAM CHISHOLM: I think it is considered desirable that the province should be peopled with native-born persons; they understand the conditions peculiar to the province, make the best settlers, and are more desirable in every respect. I am sorry to hear the minister suggest that it is not intended that the publicity agent shall extend his operations to other parts of Canada with a view to inducing native-born Nova Scotians who are in the West to return to their own province. If the operations of Mr. Webb are to be confined to the United States and to the Old Country, and if, as the minister alleges, there is a prospect of getting no immigrants from the old country and but few from the United States, I am afraid the minister has virtually admitted that there is little hope of this publicity agent being appointed in the near future.

Mr. ROCHE: The hon. gentleman's idea as to how the public funds should be expended in connection with immigration differs from mine. I do not think that the money of the people of Canada should be devoted to an effort to induce settlers in one part of the country to migrate to another. In fact, accusations were made in years gone by against the then Government that they were trying to induce eastern Canadians to migrate to the West. If Nova Scotians have gone West or to other provinces of Canada, they know the conditions both in the province they came from and in the province in which they have settled; and if dissatisfied they will go back; if contented, they will remain where they are. We are spending money on immigration with the idea of bringing settlers into Canada from other countries; not with the idea of inducing Nova Scotians to go West or persuading those who have gone West to return to the eastern provinces.

Mr. WILLIAM CHISHOLM: How many immigation agents are there in Nova Scotia, under Dominion authority.

Mr. ROCHE: Three, I think.

Mr. CHISHOLM: Do these agents act as agents for the whole province, or is the province divided into districts?

Mr. ROCHE: For the whole province.

Mr. CHISHOLM: I think the minister is perfectly right in saying that he is not justified in these hard times in creating offices. That is why I argued that he could dispose of a great many of the unnecessary officials who are in the various branches of the service, and use the money received by them to pay a live, wide-awake, energetic publicity agent. Last year I called attention to the fact that this Government sent several special agents from Nova Scotia, including one from my own county, to Europe since 1911. They went off on a pleasure trip which lasted three months, and cost the country something like $6,000, and if my memory serves me. I think they receive $100 a month and expenses. Their reports

are on file, but if the minister can find in those reports anything useful to Canada's immigration policy or tending to increase immigration into this country, he will do more than I have been able to do. If he will avoid appointing agents of this kind merely for political purposes, to satisfy those who have been disappointed in other respects, and devote the money to real publicity work, some good will be accomplished.

Mr. ROCHE: I should not want the hon. gentleman to leave the impression upon the committee that these officials were in any sense permanent immigration agents. It has been the policy of the department for many years to send delegates from the various provinces of Canada to the Old Country to act temporarily during the winter months as immigration agents. They are placed under the direction of Mr. J. Obed Smith, of the London office. He arranges in advance that they shall be at certain provincial towns at certain times, to meet the people and to give them information. Some of them act in the capacity of lecturers and give addresses on Canada. This is temporary work which is carried on during the winter months; I think the period is three months, or a little longer.

Mr. McCRANEY: As a western man I do not fall in with the suggestion of the hon. member for Antigonish (Mr. Chisholm) that a propaganda should be carried on to induce Nova Scotians who live in the province of Saskatchewan to go back to Nova Scotia. The former chief justice, the Attorney General of our province, and the two candidates who have opposed me in previous elections, are all Nova Scotians. Nova Scotians are among the most successful men we have, and I am sure that no matter how great a propaganda were carried on, they would not return, not because they do not love Nova Scotia, but because they are doing so well in the West. Our province is almost dominated by Nova Scotians. When Nova Scotians complain that they have not enough influence in this Parliament by reason of reduction in their representation, I feel like reminding them of the great influence which they are acquiring the West.

Mr. DOUGLAS: I wish to direct the attention of the minister to a matter which I have previously referred to him by letter, but in respect of which I have had very little indication as to what action he intends to take. It is with respect to the grievance of a large number of the settlers west of the city of Wetaskiwin. The district is about 50 miles from a railway. At one time it was heavily timbered, but a fire depleted it of its merchantable timber of any considerable value. Settlers were allowed to go in there and take up homesteads. After clearing up the land and making improvements they found that the soil was not suitable for the successful raising of crops; thus they have been unable to acquire the amount of land necessary to entitle them to a patent. At the same time they have been unable to make a living. My attention was called to the grievance of these people and I made a trip out to the settlement to look into the matter personally. I found the country entirely unsuited for anything except, possibly, mixed farming. To make matters worse, there has been considerable interference by the man who has been in charge of the patronage in that district. According to the statement of the settlers, he has been interfering with the duties of the homestead inspector and the timber ranger. Timber rangers who have been sent by the local office to make inspections have reported in many cases that there are more than 25 acres of merchantable timber on these lands. The regulations appear to be rather vague as to what constitutes merchantable timber, and the settlers consider that they are under a very distinct grievance inasmuch as the inspector has set aside a great deal of timber as merchantable which they say is a hindrance and a nuisance rather than of any value. A number of inspections have been made and yet these men are in the condition that they cannot get any satisfaction from the department other than the statement that they must fulfil the regulations and clear and crop 30 acres of land. This, in a district of this description, is practically impossible; and if they did carry out this condition the crops would not yield them any return. The district is better adapted for mixed farming and the raising and rearing of stock than the raising of grain. I wish to let the minister understand that political influences have been at work inasmuch as discrimination has been shown in favour of neighbours with the same amount of improvements in the granting of patents. Men who have done certain improvements have been allowed to get patents through the recommendation of the homestead inspector and the signs indicate that political influences have been brought to bear to bring

this condition about. I wish to point out to the minister the difficult and almost impossible condition that these settlers are in to clear and cultivate according to the regulations and, as I understand he has power as commissioner to alleviate these conditions in his own judgment, I think it would be wise for him to be as lenient as possible to the settlers in this district.

Mr. ROCHE: I believe that this question has engaged the attention of the officers of the department on several occasions. It appears that, as the hon. gentleman has said the settlers went into this district with their eyes open, and although there was abundance of prairie land open to be taken, they settled in a thickly timbered country where they could not make a living. It is true that fire had destroyed some of the timber. They took up homesteads contrary to the Dominion Lands Act by making affidavits at the land office that there was not more than 25 acres of timber on each area homesteaded. That is where they made their error. An inspector had been sent from the local office who reported more than 25 acres of timber. He set aside the 25 acres of timber, leaving them their homesteads, but leaving the other timber on the quarter-section to be utilized by settlers for permits. That was practically the only fair thing the department could do. They were not entitled to more than 25 acres of timber. The inspector set aside 25 acres. But they are not satisfied with that, they want to get their patents without doing the cultivation even although they cannot make their living on the quarter-section and they knew that before going on the land and they want to get all the timber to dispose of for commercial purposes. That is the way the case has been presented to me by the departmental officers. So far as politics is concerned, I know there have been some questions of that kind between the gentleman named and the particular man who is entering this complaint; but, as far as I can learn, there is nothing in that, and the gentleman against whom the charges are made has sent us letters, which we have on file, absolutely denying that there has been anything of the kind.

Last session we passed an amendment to the Dominion Lands Act whereby on lands that have been taken up for homesteading on which the requisite amount of cultivation duties cannot be performed, patents may be secured by putting on a certain number of stock. That was not intended to be retroactive, but I am sure the department will look on this in a very lenient manner, and if these gentleman cannot cultivate their lands, the department, I am sure, will have no objection to them qualifying for their patents by putting on a certain number of stock. What they object to is having the 25 acres of that timber land set aside for them and allowing the public to have permits to go in and take off the timber from the other portions of the quarter-section.

Mr. DOUGLAS: The minister will understand that the question comes in there as to what constitutes merchantable timber.

Mr. ROCHE: I understand that while there is no strict definition in regard to that, the department looks on timber above 10 inches in diameter as merchantable timber.

Mr. DOUGLAS: No matter whether it is poplar or spruce ?

Mr. ROCHE: Yes, if it is below 10 inches it can be used for firewood.

Mr. W. M. MARTIN: Speaking about politics in the department, has the minister heard any charges of political interference in connection with the opening up of the Duck Mountain timber reserve ?

Mr. ROCHE: No, I have heard no charges whatever.

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

The House resumed at eight o'clock.

PRIVATE BILLS.

SECOND READINGS.

Bill No. 82, respecting the patent of the National Wood Distilling Company.—Mr. Green.

Bill No. 83, for the relief of Lottie Thorndike.—Mr. Boyce.

Bill No. 84, for the relief of Arthur Ernest Birdsell.—Mr. Michael Clark.

Bill No. 86, respecting the Grain Growers' Grain Company, Limited.—Mr. W. H. Sharpe.

Bill No. 88, for the relief of Adam Clarke Anderson.—Mr. Wallace.

Bill No. 89, for the relief of Thomas Jefferson Moore.—Mr. W. M. Martin.

Bill No. 90, for the relief of Alexander McIntyre.—Mr. Bristol.

Bill No. 91, for the relief of Violet Burnett Delmege.—Mr. Brabazon.

Bill No. 92, for the relief of Alice Beckett. —Mr. Michael Clark.

Bill No. 96, respecting the Premier Trust Company.—Mr. Fripp.

Bill No. 97, respecting the Northwest Life Assurance Company.—Mr. McCraney.

Bill No. 98, for the relief of Austin Mc-Phail Bothwell.—Mr. Fripp.

Bill No. 99, for the relief of Agnes Gravelle.—Mr. Fripp.

Bill No. 100, for the relief of Clara Elizabeth Darnell.—Mr. McCraney.

Bill No. 101, for the relief of Thomas Batin Harries.—Mr. Schaffner.

Bill No. 102, for the relief of William John Owen Delaney.—Mr. Porter.

Bill No. 103, for the relief of Edith May Webster Boydell.—Mr. Michael Clark.

Bill No. 104, for the relief of William Robert Delaney.—Mr. Michael Clark.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 81, respecting the Edmonton, Dunvegan and British Columbia Railway Company.—Mr. Green.

Bill No. 72, for the relief of William Ewart New.—Mr. R. B. Bennett.

Bill No. 73, for the relief of Helene Suzette Baxter Douglas.—Mr. Fripp.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Immigration—salaries of agents and employees in Canada, Great Britain and foreign countries, $620,000.

Mr. McCRANEY: I would like to draw the attention of the Minister of the Interior to a matter of a grazing lease in my riding that has been under his consideration. Some time ago my attention was called to the fact that one Udo F. Schrader had made application for a grazing lease in townships 40 and 41, range 7, west of the 3rd meridian, in the province of Saskatchewan. I received some protests from the rural municipality of the district in which the lands are located, and from private individuals. I have before me a return which came down this session, and which contains the correspondence. The application has not been dealt with by the minister, and it is because the matter is still open that I want to appeal to him to give the most serious consideration that he can before granting this application. In protest to the granting of it, the municipal council of the municipality of Great Bend No. 405 have passed the following resolution:

The council of the rural municipality of Great Bend No. 405 has been approached by the settlers on the east side of townships 40 and 41, in ranges 7 and 8, west of the third meridian, in the province of Saskatchewan, to endorse their enclosed petitions.

We, the undersigned reeve and secretary of the above municipality, are authorized to submit to your department, that in the opinion of the council of the rural municipality of Great Bend—in which the proposed grazing lease is wholly situated—that the lands included in the grazing lease petitioned for by Udo F. Schrader are an asset of the municipality, inasmuch as some of these lands are fit for homesteading and the bulk of the land is very valuable to the adjoining settlers as pasture and hay land.

The council of the municipality also wishes to draw your department's attention to the fact that four or five applications for homestead entries have recently been rejected by your Saskatoon office.

In the council's opinion, the public interest would be better served if individual settlers would be given an opportunity to acquire smaller leases amongst those portions which are unfit for agricultural purposes, and the above council hereby petitions and prays that the petition of the above Udo F. Schrader be rejected.

For the rural municipality of Great Bend, No. 405.

(Sgd.) George Cockburn, Reeve.
H. W. Hoffmann, Secty-Treas.

The petitions referred to in the resolution of the rural municipality are signed by 77 of the residents who live in that locality. The petitions are not all worded in the same way, but the general purport is as contained in the following petition:

The undersigned settlers in township 40, in range 8, west of the third meridian, hereby protest against the issuing of a grazing permit, petitioned for by Udo F. Schrader, Borden, for the land between our township and the Saskatchewan river, and our reason for protesting is, that some of the land is quite suitable for homesteading; that a great deal of the land is used by the actual settlers as pasture, and that to the best of our knowledge or belief, the applicant is not in a position to handle the proposed ranch himself and only wants the concession for barter to a company to be formed.

There are upon the file three declarations which have been put in by Mr. Schrader in opposition to the petitions signed by 77 men. One is by a Mr. William Morrison. He is not one of the petitioners. Just to show the character of the answer to the petitions, I will read part of Mr. Morrison's declaration. Mr. Morrison swears:

That the said George Orchard and H. W. Hoffmann were discussing an application for a grazing lease made by Udo F. Schrader for lands in townships 40 and 41, range 7, west of the third meridian.

That the said George Orchard made the remark in my presence that he would leave no stone unturned to stop Udo F. Schrader from getting the said lease.

That H. W. Hoffmann, who is the secretary-treasurer of the local municipality, stated that he would see to it that the municipal council take action and that no lease was issued.

He further advised George Orchard to try to file on his homestead reserved for said lease, and then they, namely, Hoffmann and Orchard, would get out a petition against this lease and that the petition would be so much stronger, because Orchard could not homestead in that locality.

I have known M. W. Hoffmann for the last seven years and the said George Orchard for three years, during which time he has resided in the Halcyonia district.

With all the formalities of legal phraseology, there is absolutely nothing in the declaration, the material part of which I have read, which should in any way be an answer to the petitions against Mr. Schrader getting the lease. One George Tallis makes the following declaration:

That on Sunday, July 12, 1914, one Alfred Boxter approached me at the school-house, Halcyonia, during Anglican church service, and requested me to sign a petition to the Minister of the Interior at Ottawa, Canada, asking him to forego a lease over townships 40 and 41, in range 7, west of the third meridian, in the province of Saskatchewan, to the above-named Udo F. Schrader.

At the time said Alfred Boxter presented said petition to me, he stated that Mr. Schrader intended fencing in the whole river bank in this district, and that consequently the settlers would be unable to obtain wood and would be starved out.

George Tallis was not one of the petitioners, and what he says does not matter anyway. This is the declaration of Amund Christiansen, who is the only signer of the petition that makes a declaration:

That I am the owner of and reside on the northwest of section 1, township 40, range 8, west of the 3rd meridian, province of Saskatchewan.

That on Sunday, July 12, 1914, one Arthur Wake called for me at the above land, when he requested me to sign a petition which was exhibited to me and which I signed, petitioning the Minister of the Interior at Ottawa not to grant a lease over townships 40 and 41, in range 7, west of the third meridian, province of Saskatchewan, to the above-named Udo F. Schrader.

That at the time said Arthur Wake presented the petition to me, he stated that it was Mr. Schrader's intention to fence the said townships 40 and 41, and thus prevent my obtaining access to the river Saskatchewan for wood.

Judging from the sketch map presented, I would think that his allegation that the settlers would be cut off from the river bank and the wood on it would probably be true. I have quoted the material parts of the only declarations that are filed, in order to show how trivial they are, so that we can dispose of any answer on those grounds that Mr. Schrader should have the lease.

The petitioner refers to one thing upon which I do not desire to enlarge, and that is Mr. Schrader's financial ability to undertake this enterprise. Without going into that at length I may say that Mr. Schrader is not able to fence ten thousand acres of land unless he has the lease itself as an asset. That is the basis of his financial ability. I would recommend the minister to investigate Mr. Schrader's financial position and see whether he should tie up for a number of years ten thousand acres of land in that part of the country which contains a very prosperous settlement of farmers to a man who has not the ability to carry on ranching operations without the interest of other people.

There is another matter I desire to mention in this connection, but which I hesitate to mention, because I do not want the minister to think that it actuates me or the municipal council in making opposition to Mr. Schrader's getting this lease. Since the application was made Mr. Schrader has accepted the Conservative nomination for the local House in the riding of Redberry. It makes absolutely no difference whether Mr. Schrader is the Conservative candidate or not, so far as fitness for this lease is concerned. I make no objection on that ground. I merely say that if Mr. Schrader expected to be a candidate with any likelihood of success, the last thing he would do would be to obtain a lease from this Government for ten thousand acres of land, and if he thought it best to go into politics, the first thing he would do would be to abandon any application he has made. I suggest this to show that the only reason Mr. Schrader has for accepting this nomination is to strengthen what is a weak case with the department. I hope the minister will appreciate the reserve with which I say this. I am not opposing Mr. Schrader's application on account of politics, but I am suggesting that the minister should find out who Mr. Schrader is, his financial ability, and why he is a Conservative candidate with this very large application on his hands.

The petitions of the municipality and the residents in that neighbourhood point out the desirability of that land being available for the settlers and says that some parts of it are suitable for homesteads and others are not. The conditions which the Department of the Interior have of giving notice of inspection and so on are very proper. They are for the protection of the department. But I hope the minister will consider this question on public grounds and will use

his discretion. I hope he will not say that because some other applications are not in order, therefore the applicant whose documents are in order should succeed. Such a matter as this should not be treated as an undefended action in court. I think the tying up in any one man's hands, especially at this juncture, of ten thousand acres of land in that well-settled community is a very important thing, and I hope that the minister will not allow it. If the land is not altogether suitable for homesteading it is because it is near the north branch of the Saskatchewan river and there is no doubt a good deal of glacial stone on the surface.

Mr. ROCHE: When the hon. member for Saskatoon (Mr. McCraney) moved for the papers, I hastily glanced over the file to acquaint myself more or less with the condition of affairs, and I found it very much as has been stated by the hon. gentleman. There is on the file considerable correspondence going to show that there was considerable feeling both for and against Mr. Schrader. Of course, Mr. Schrader claims that a good deal of the opposition to him getting the lease emanates from political opponents. The affidavit which was read would show that, inasmuch as it states that the secretary-treasurer of the council had vowed that he would see that the council passed resolutions against Mr. Schrader getting the lease. I say nothing about that.

There are rival applications for the grazing lease. I understand that an inspection was made of the land, and some was recommended to be given to one applicant and the balance to be given to Mr. Schrader. It was stated that it would be useless to give it all to the other gentleman by reason of the fact that he has not sufficient stock to stock it, nor means to purchase stock. On the other hand, it is represented by the inspector that Mr. Schrader has a good deal of thoroughbred stock and is in a position to stock, and has on another farm a good deal of stock.

Mr. McCRANEY: It may be in his possession, but I doubt if it is in his own name.

Mr. ROCHE: I know nothing about that. At any rate, the department, owing to the conflicting applications, thought it desirable, though an inspection had been made, to bring in an outside and independent inspector who would not be prejudiced. He reported, I believe, that the lands upon the whole were not suitable for agriculture, though portions were suitable, but that a good deal of the land was broken, stony and hilly, on the banks of the Saskatchewan. By reason of the fact that Mr. Schrader was in a better position to stock it, he recommended that Mr. Schrader be given the lease. However, as I understand it, Mr. Schrader did not comply with the license conditions in regard to the posting of notice for so many days. He was notified that he had to post for a certain number of days, and did post in one of the larger post offices on the line, but did not comply with the strict regulations, and was so notified. I do not think we have received notice stating whether he has complied with the conditions or not.

I can understand local feeling on this subject if it is contended that a great deal of this land is suitable for agriculture. The municipal council naturally desires to see the land taken up by homesteaders so that it can tax the land and get a revenue. I have not passed upon the application, in the first place because no person had complied with the condition up to the date it was before me, and secondly because I thought that owing to the largely signed petition which we had received, we should go very slow before we grant a grazing lease in the face of such opposition. True, it was claimed by one signer that misrepresentations had been made to him or he would not have signed—it had been represented that it was the intention to fence off the ranch and shut him off from the river. But at any rate I can promise the hon. gentleman that I will look very carefully into the question and will not issue a grazing lease until I am convinced in my own mind that the land is not suitable for agriculture. Of course, I have always been desirous that land not suitable for agriculture should not be settled upon; and I am more strongly convinced than ever that we should not throw open such land for agricultural occupation after our experience of this year, when we find that so much land is taken up by homesteaders on which they cannot make a living and that they come on the Government for seed grain. In view of these facts, I feel that we ought to be very careful about throwing ranching country open for settlement. It might suit these parties better to have a lot of smaller leases rather than have the land tied up for a series of years in the hands of one rancher. I will give the matter serious consideration and will be careful not to act prematurely.

Mr. DOUGLAS: I desire to ask the minister to make an independent inspection of the place I brought to his notice before dinner in regard to what constitutes merchantable timber. There is a very strong feeling in the district of Wetaskiwin that politics has entered into this case.

If the minister would put an independent timber ranger into that district and have him make an independent report, the fact of the case as brought out would probably vindicate the conduct of the present timber ranger. The feeling is very strongly held, however, by a large number of people, that political influence has been brought to bear upon the officials of the department in the reports which they have made. I would urge upon the minister that he secure an independent and impartial report of these particular cases, and satisfy himself as to whether these settlers are being fairly treated, or whether undue influence is being brought to bear upon the local officials by parties interested.

Mr. ROCHE: If my memory serves me correctly, another inspection has already been ordered.

Mr. DOUGLAS: Only by the homestead inspector, I think.

Mr. ROCHE: I am not certain of that. I think the hon. member may disabuse his mind of the idea that the decisions given in these cases have been the result of political pressure upon the officials of the Government. My officials are not of the political stripe which would permit them to be influenced by representations of that nature.

Mr. DOUGLAS: I mean the local officials.

Mr. ROCHE: The local officials have nothing to do with the decision; the decision was made in the department by those who are responsible for it.

Mr. MICHAEL CLARK: I want to say a word about the political aspect of this question. I had occasion to be in the neighbourhood of Wetaskiwin during the recess, and I found, amongst a number of the intelligent people of the district whom I met and conversed with, a very distinct impression that discrimination was being used in regard to the issuing of patents on political grounds. I desire to say that I entirely exonerate the minister from acting in such a manner. I know my hon. friend well, and I am quite sure that he would not do anything at once so wrong and so silly. It would be very wrong, because, speaking from experience, I can assure the minister, if he needs the assurance, that when a man has taken a homestead and has done honestly the work which entitles him to a patent, he is very anxious to have it and he has a right to have it. I am sure the minister recognizes that, and it would be a great wrong to the country if every reasonable expedition were not observed in the granting of the patent. It would be silly, because we are not accustomed in this country to German methods. In Anglo-Saxon countries people do not respond to interferences with their freedom by supporting the Government that so interferes. I think that any such action taken for political purposes would have a diametrically opposite effect to that which it was intended to have. If any man with an ounce of Anglo-Saxon blood in him, knowing that he was entitled to his patent, was refused it by the minions of a government simply because he did not vote as they wanted him to vote, he would vote twice as badly that way and get as many of his friends as he could to do the same thing. I have found the impression prevailing that this motive was actuating the inspectors, and that is not the only neighbourhood in the province of Alberta in which I have found this impression existing since this Government came into power. My hon. friend, I feel sure, will be grateful to me for bringing this to his attention. I cannot recall—and I desire to divest myself of all partisanship in making this statement—ever having heard a complaint of that kind when the department was under the administration of the hon. member for Edmonton (Mr. Oliver). I can recall complaints against the hon. member for Edmonton, but not that he ever advocated, practised or allowed discrimination on political grounds in such matters as these. I desire again to say that I exonerate the present minister from being actuated by any motive so petty. I am quite sure that if this thing is happening, it is happening at the instance of inspectors who are more zealous for party than they are for the interests of the country. Having brought the matter before the minister, I should like to suggest to him—he may think the matter over—that as a precautionary measure he should send a circular to all his inspectors, pointing out the wrongness and folly of making discrimination against any homesteader in regard to the issue of his patent.

Mr. ROCHE: The hon. gentleman, being a medical man, knows human nature well enough to appreciate the fact that when a

man applies for his patent and thinks he ought to have it because he belongs to the party in power, he frequently blames his own friends when he does not get it. We have received considerable blame from some of our own political friends because we did not give them patents when they thought they were deserving of them, and when the officials of my department and myself saw that they had not complied with the homestead regulations and conditions. The hon. member may not have heard any complaints when the old Government was in power, but I would be more apt to hear such complaints than a supporter of the then Government, and I did hear any number of them—just such complaints as are made in this case. They have always been made, and they always will be made, no matter what Government is in power. The trouble is that many persons who take up homesteads desire to shirk their duties and to obtain their patents without complying with the regulations. Officials of the Interior Department pass upon nearly all applications; only occasionally—in complicated cases, where the officials do not desire themselves to take the responsibility—do applicants come before the minister. It is true that there may be some local officials who try to create the impression that they are in a position to have their recomendations carried out, but even homestead inspectors' recommendations are not carried out by the officials if they have evidence which leads them to believe that they should not adopt them. Frequently an outside inspector is sent into a district to make an independent inspection. The officials did pass upon the particular case mentioned by the hon. member for Strathcona; but the whole thing in a nutshell is that these people did not comply with the homestead conditions. The hon. member says that they cannot cultivate sufficient acreage to carry out the homestead duties; that they went on land which is unfit for agricultural development. This being the case, how on earth can he expect the department to issue patents? The regulations are there, and must be complied with. We are not responsible for the fact that these people went on lands which cannot be broken up and cultivated. They can, of course, avail themselves of the stock provision. The report we have, however, is that these people went on that land for the purpose of utilizing the timber commercially. They feel that they have a grievance because they are only allowed 25 acres, but that is what the law prescribes. They wish to divest that land of timber and move on to another district, perhaps claiming another free homestead on the ground that the first was no good; in the meantime they will have lived off the timber. It is practically an impossibility for officials under the existing regulations to issue patents for these lands.

Mr. DOUGLAS: The minister will understand that timber fifty miles from a railway cannot be very valuable commercially. It is said that discrimination is made as to the quality of merchantable timber which these different homesteads are said to contain, and this is one of the causes of complaint on the part of the settlers. The question arises as to what is meant by merchantable timber. If the officials of the department were lenient in their interpretation of the expression "merchantable timber," I do not think there would be any trouble in this district. If fair play were given to all the settlers in the district, no complaint would be made. The statement is openly made, however, not by one person, but by many, that unfair discrimination is made as between one settler and another by the officials of the department. My desire is that an independent timber ranger should be sent to make a separate report as to what constitutes 25 acres of merchantable timber and as to whether it should be en bloc or picked out all over a man's farm. The minister can well understand that no man who wishes to make a living by keeping stock or in any other way would wish his fences to be torn down to permit neighbours to go in and take timber off the land. I do not know that the settlers are asking anything unfair, they simply wish to be treated as their neighbours are. The minister can see that a small official may make things very disagreeable for a whole settlement.

Mr. ROCHE: Do I understand that these gentlemen will be satisfied if they have their 160 acres with the timber on it?

Mr. DOUGLAS: I think so. I never heard any complaint otherwise.

Mr. ROCHE: In what way would that improve the condition of the soil?

Mr. DOUGLAS: It might enable them to raise stock. It would not improve the soil, but the land might be suitable for raising cattle.

Mr. OLIVER: I would remind the minister that a regulation in regard to timber which may be desirable and applicable in

one condition is not desirable and should not be made applicable to another condition. Some years ago when the settlement was confined to what was called the prairie section of the West, an interpretation of merchantable timber would properly cover timber that was merchantable as firewood; but now that settlement has covered the prairie and has pushed back not only into the park country but into the heavy woods, as in the case mentioned by my hon. friend, but more particularly in the district which I represent, the interpretation that would be proper 100 miles to the south or east of Edmonton would be an entirely improper interpretation 100 miles north or west of Edmonton where the country is practically entirely timbered, with timber that 100 miles to the south or east would be considered very heavy—and yet that timber has no commercial value and must be cleared away at cost to the settler in order to enable him to cultivate the ground. Unless the department takes the view that timber must be preserved because it is timber, and I do not understand that they take that view, then I would add to what the hon. member for Strathcona has said, the suggestion that there should be a new interpretation put upon the words merchantable timber, applicable to those parts of the country where the country is covered with a growth of what would be called on the prairie heavy timber, but which in the heavily wooded country has really no merchantable value whatever. That is the condition which prevails throughout a very large part of the constituency I represent. As railroads are constructed through that territory and the settlers naturally push back along the railroad lines into the timber, this question becomes one of very pressing
9 p.m. importance. The minister has had a concrete case presented to him. What is the condition in isolated cases in Strathcona is the condition throughout a very large proportion of the much larger district of Edmonton, and the minister will find it very frequently in the administration of the land throughout that district. I therefore suggest that a new interpretation be placed on merchantable timber applicable to these conditions where the country is covered with a heavy forest growth but where those trees are not, by reason of conditions, of merchantable character.

Mr. BUCHANAN: I would like to bring to the attention of the minister an act of the department recently in the city of Lethbridge. Mr. A. E. Humphries, who had been an immigration official for some years, was relieved of office on the ground of economy. That was the explanation given to Mr. Humphries and the explanation which the minister gave to me this session. If that was the sole reason I would not be inclined to bring the matter to the attention of the House, because I am in favour of economy wherever it can be practised. Mr. Humphries was relieved from the positions of immigration inspector, immigration agent at Lethbridge, and caretaker of the immigration hall. But immediately after his removal, Mr. A. H. McKeown was appointed caretaker of the immigration hall at a salary of $65 a month, with plenty of accommodation for his family, which made the position a very good one for that gentleman. I think it would have been only fair to a servant of the character of Mr. Humphries that, if economy was to be practised, he should have been deprived of the other two positions but have been allowed to retain the position of caretaker of the immigration hall. It is true that he was appointed by the late Government, but no charges were preferred against him that he was a partisan or an inefficient officer. Since this Government came into power they recognized his services and increased his salary, and officials of the department speak of him as one of the best immigration inspectors they had in the service, and he was recommended for an increase by the gentleman who at that time was in charge of the patronage in my riding for the Conservative party. There is no question that Mr. Humphries was an efficient officer, and I would like the minister to offer an explanation of his removal from all of these positions on the ground of economy, followed immediately by the appointment of a gentleman to the position of caretaker. I might say that within a very short time of Mr. Humphries being relieved of office relief was being distributed in southern Alberta. Mr. Humphries had had something to do in previous years with the distribution of relief in certain districts of Alberta. It was said that there was no work for him to do, that economy had to be practised. In my judgment, it would have been a wise act on the part of the Government to have given Mr. Humphries some of that work to do until the immigration business had improved, especially since the Government had recognized Mr. Humphries as an exceptionally good officer and had in-

creased his salary. But instead of that they appointed a gentleman from Lethbridge to the position of commissioner of relief at a salary of $150 a month and Mr. Humphries, who was receiving less than that, was relieved on the ground of economy. If there had been any charge against him of inefficiency or partisanship I would not complain, but it is generally recognized by political friends of the minister that Mr. Humphries was one of the most capable officials in the department. That tribute was paid to him by Mr. W. C. Ives, who was handling the patronage in the riding of Medicine Hat and recommended him for an increase in salary,

Mr. ROCHE: I know very little personally about this except that I recollect the question placed by the hon. gentleman on the Order Paper, and also that the following answer was given:

> Owing to the fact there was at that time practically no work to do in connection with immigration at Lethbridge, Mr. A. E. Humphries was on October 15, 1914, indefinitely suspended from his position as travelling immigration inspector.

It does not say he was dismissed. It says he was indefinitely suspended. The gentleman who took his place was appointed I think on the 1st January, 1915, on the strong representation of the Commissioner of Immigration that it would not do to have such a good building left without a caretaker. I do not know who this man is, but I understand he is getting $65 a month as caretaker. I think Humphries was getting $100 a month. Because this new man was appointed on the 1st January, 1915, it does not follow that Mr. Humphries was dismissed. Apparently there was no work for him to do. There was practically no immigration. And he is not the only official whose services have been temporarily dispensed with during this period of stress, and that applies to Conservatives too. I had to let off one of our inspectors in the Brandon district who was appointed by this Government. There was nothing against him; in fact, he was a first-class official; but his services were dispensed with on the ground of economy. The hon. gentleman might ask why Mr. Humphries was not appointed as caretaker. I cannot explain that; I do not even know whether he would have accepted it if it had been offered him. I think the best evidence that there was no partisanship about it is the fact that his salary had been increased since this Government came into power.

[Mr. Buchanan.]

Mr. BUCHANAN: The criticism I had to offer was this. There might have been reason to abolish the position other than that of caretaker which Mr. Humphries was filling, but he had been caretaker and in charge of the Immigration hall at Lethbridge for years, and I cannot understand why, when he was removed from the other offices, he should not have been allowed to retain the position of caretaker of the Immigration hall, especially as he had been a faithful servant of the department for a number of years. This removal left him practically without any means of support, and at a time when business was stagnant and he could not get employment of any kind; and he has not a position of any kind to-day. In my judgment, the fairest thing would have been to allow Humphries to retain the position of caretaker. The Government had recognized the merits of Mr. Humphries. They had considered him a valuable official, and he should have been treated decently at all events, and allowed to retain this particular position at $65 a month. He had started in as caretaker of the Immigration hall and had always held that position while he was gradually being promoted to more responsible positions.

Mr. OLIVER: The item under discussion is No. 64, which is to provide $620,000 for the salaries of agents and employees of Canada, Great Britain and foreign countries. That is an increase of $20,000 over last year's vote. Now if Mr. Humphries was dismissed or retired from his position on the grounds of economy, perhaps the minister would be good enough to explain this increase in the vote?

Mr. ROCHE: Of course, this is an estimate for next year. As the hon. gentleman realizes, there was practically no boundary inspection at all up to 1908. Two classes of people seek to come into Canada: first, desirable settlers, whom we are anxious to get; and, secondly, undesirable settlers, whom we are trying to keep out. The development of the boundary inspection accounts for no small proportion of the gradual increase in the expenditure of the Immigration Department. In practically every province there are railways connecting with the United States, and undesirables could easily slip in if a close watch were not kept. In 1909, the first year we had boundary inspection at all, 37 were appointed; in 1911, prior to the old Government going out of power, there were 87; that is, they had increased the number

of inspectors by 50 within two years. In February, 1915, there were 152 inspectors. This increase in the boundary inspection, together with increases in salaries that might take place, largely accounts for the extra $20,000. Although we are asking for $620,000, it does not necessarily follow that we shall spend all of that amount; but we are very anxious to guard the international boundary at this time. While we do not expect a large increase of overseas immigration, undesirables from the United States, which is going through a time of stress just like Canada, will seek new pastures and endeavour to get into Canada. They have been trying it already, and every year the immigration laws in that respect have to be enforced more strictly.

Mr. W. M. MARTIN: What salary does an inspector get?

Mr. ROCHE: He starts at $900, and gradually increases to $1,200.

Mr. OLIVER: The minister's explanation makes Humphries' case very much worse, because Humphries was a boundary inspector, and an especially good one; so that according to the minister's statement there was absolutely no reason to cut down expenses in regard to Mr. Humphries. Lethbridge is an important point of access from across the boundary, and it has always been necessary and always will be necessary to have a capable man there to watch for undesirables. That being the case and in view of the hon. minister's admission that he finds it necessary to increase the strength of his boundary staff, his defence of the removal of Humphries clearly falls to the ground, and we must accept the other alternative that Humphries was removed because of political pressure.

Mr. ROCHE: He was a travelling inspector.

Mr. OLIVER: But his business as an inspector was rather to keep people out than to bring people in, that is why he was there, and that is what he was particularly efficient at.

Mr. MOLLOY: What is the difference between a travelling inspector and a stationary inspector?

Mr. ROCHE: A travelling inspector has jurisdiction over several points, while a stationary inspector has jurisdiction over only one.

Mr. MOLLOY: One might be a Grit and the other a Tory.

Mr. ROCHE: And one might be a Tory and the other a Grit.

Mr. MARCIL: I do not want this discussion to be confined entirely to western members. Being a resident of the city of Montreal, and knowing the conditions that prevail there now, and the fact that probably three-fourths of the unemployed there are not native Canadians, I would ask the minister if there is going to be any change in our immigration policy during the continuance of the present crisis, or whether anybody is to be allowed to come into this country just as usual.

The country districts can get along very well, but cities like the port of Montreal, into which foreigners come to seek labour, have to look after the needs of a great number of these people. The corporation of the city of Montreal is spending this winter close on $70,000 in charity; and the Archbishop of Montreal has written to me to say that they have organized 75 sections of the St. Vincent de Paul Society to cover the city, and were providing at present for nearly 20,000 people. The Grey Nuns and other charitable institutions in Montreal are supplying 2,000 quarts of soup daily, and Montreal is at present going through the most severe crisis in the memory of those living. Is the minister taking any means to prevent Montreal being flooded by foreigners without any means of livelihood?

Mr. ROCHE: There has been practically no immigration from across the sea since the war started; it has cured itself. The Government are not encouraging people to come here, and we are practically not making any active propaganda even in the British Isles. We are more strictly enforcing the immigration regulations than at any time in the past. We are not encouraging any persons to come here except those belonging to the agricultural classes, and we are not paying any bonus on any of the labouring classes. We are even getting more strict in regard to domestic servants. In some places there is yet a little demand for domestic servants, but in other places the supply is probably greater than the demand. Formerly, some came over as domestic servants who were not really domestic servants before leaving their own country, and now they must prove, to the satisfaction of the officers, that they have been in domestic service at least twelve months prior to sailing. There are some who come to the country of their own volition.

Mr. MARCIL: Some are encouraged by railway companies.

Mr. ROCHE: That may be, but they have to comply with the immigration regulations and pass the medical examination.

Mr. MARCIL: If mechanics or labourers come here how are they allowed in?

Mr. ROCHE: We have an order prohibiting them from entering British Columbia, and while we are not directly prohibiting mechanics from coming in to other parts, yet our agents on the other side have been instructed to discourage them in every possible way.

Mr. W. M. MARTIN: The return with regard to the Civil Service shows that up to March 4, 1914, 110 officials of the Immigration Department were dismissed, 35 resignations received, and 343 appointed in their places. The minister has explained that there has been an increase in the boundary immigration agents of 50; will he say whether the remainder of the increase was in the inside service or the outside service?

Mr. ROCHE: We have had some increases in the inside service as well as in the outside service. We have opened two new offices in the United States, in England we have opened offices at Carlisle, Peterborough and Cardiff, and one in Copenhagen, all of which require staffs.

Mr. W. M. MARTIN: The new officers would be included in the figures given last year?

Mr. ROCHE: Yes.

Mr. MARTIN: The return is brought down to March 4, 1914, over a year ago; can the minister say how the Immigration Department stands to-day, as regards the number of its officials?

Mr. ROCHE: There have been very few increases since that return was brought down.

Mr. MARTIN: I presume the officials employed in the drought-stricken districts in the West would come under the Immigration Department and would contribute to the increase?

Mr. ROCHE: These are temporary employees for a few months.

Mr. MARTIN: How many are employed in the drought-stricken area distributing relief as temporary officials?

[Mr. Roche.]

Mr. ROCHE: There are about fourteen each in Maple Creek district, north and south, and about twenty in the Moosejaw district.

Mr. MARTIN: And apart from these there have been few appointed to the Immigration Department since the date of that return?

Mr. ROCHE: Yes.

Mr. MARTIN: The cost of administering the department has increased very largely since 1911. What is the justification for that? The total cost of the Immigration Department, 1911-12, was $1,364,999; in 1913-14, $1,893,297, and for the current year, 1914-15, $2,138,800 or an increase of 65 per cent over 1911-12. The increase in 1913-14 over 1911-12 is about $530,000, and the increase in 1914-15 over 1913-14 is about $300,000. This I cannot understand. In 1911-12 and 1913-14, immigration into this country was about as high as in any year of our history, but in 1914 the immigration has been very light. The minister, I suppose, will answer that since August 4, 1914, when war was declared, it would not be fair to make a comparison, but for the first eight months of 1914 the immigration had dropped off immensely. The immigration for 1911-12 amounted to 354,257, and for 1913-14 to 168,859. The cost of each immigrant in 1912 was four dollars, and the cost of each immigrant in 1914 was twelve dollars. I realize that even though immigration is practically stopped the minister cannot dismiss the officials and disband the organization.

But there must be some reason for this tremendous increase in the expenditure. We are getting no better service; we are getting no better immigrants than we were getting before. The minister might give the committee some explanation why the cost has increased so largely.

Mr. ROCHE: The hon. gentleman is rather confusing the fiscal year in one instance with the calendar year in another. He just took the year 1914 as a calendar year.

Mr. MARTIN: That is in regard to the number of immigrants. I compared fiscal years when I was speaking of the cost. The minister says it cost $12 per capita for immigration in 1914. I could not tell, of course, what the number of immigrants were for the last three months of 1914-15.

Mr. ROCHE: The cost per capita for the fiscal year, 1913-14, amounted to $3.80. The cost per capita of immigration in a time of financial stringency is always greater than it is in a time of prosperity. No better illustration of that is required than in the year 1908. For that year the cost per capita of immigration ran up several dollars during the time of financial stress. Then, of course, my hon. friend is comparing the Estimates of the past year, that is 1914-15, with what was expended in 1912. We are not expending all our Estimates for 1914-15. We expect that out of our vote for the current year we shall have left unexpended at the end of the fiscal year some $300,000. The Estimates might be cut and slashed, but it does not do not to have sufficient funds on hand in a department which is engaged in handling human beings. No better illustration of that is necessary than that during the present year, as the hon. member will know, in a portion of our country in Saskatchewan and Alberta, that is the drought-stricken area, the people were left almost absolutely destitute. They required prompt attention. We had no particular appropriation for that purpose, but we used the immigration vote. We advanced out of that vote $120,000 for the relief of those settlers. Our immigration and our homesteads are so intimately associated that we thought we were justified in doing so. Our immigration until this past year has been keeping very well. During 1913-14, the last fiscal year, we had the largest immigration that we have had in the history of our country, save one year, namely, the preceding year. The immigration in 1912-13 was 402,000, and in 1013-14, in round numbers, 385,000, a drop of some 17,000. Since the war started, we have had absolutely no overseas immigration at all. If the war continues, I do not expect we shall expend all the money we are appropriating this year, but I think we ought to take the precaution of having the money on hand. Supposing the war should cease in July or August, we might have a large influx of people into this country, and we desire to have the money to cope with the situation. The fact that we have the money there does not mean that we are going to spend it all.

Mr. MARCIL: There has been a large falling off in immigration from Europe.

Mr. ROCHE: Yes.

Mr. MARCIL: The fact, of course, is attributable to the war, but what is the reason for the decline in immigration from the United States?

Mr. ROCHE: I might offer one explanation. About two years ago the United States opened up a large area of new territory. The lands, of course, are inferior, and the men are given what is known as enlarged homesteads of 320 acres, to enter into competition with our homestead entries and pre-emptions. That undoubtedly has had some effect. Some professional homesteaders may have come to our country and secured patents and then gone back to the United States to take up 320 acres there, or Canadians may have gone to the United States to take up 320 acres. The United States authorities have tried to put a stop to that by making the time on the land seven months in order to prevent a man from homesteading in both Canada and the United States.

Mr. MARCIL: Is there a homesteading repatriation movement in certain districts?

Mr. ROCHE: Yes.

Mr. MARCIL: What measure of success has been obtained?

Mr. ROCHE: There has been some measure of success, especially from the United States.

Mr. MARCIL: Can the minister give me the extent of the repatriation from the United States during the past few months?

Mr. ROCHE: In the last twelve months I understand that about 55,000 have come from the United States, and perhaps 20 per cent of those would be French Canadians repatriated.

Mr. MARCIL: Have they gone West?

Mr. ROCHE: A good portion of them have gone West. Some of them have settled along the National Transcontinental line.

Mr. A. W. CHISHOLM: I was informed some time ago that the department had appointed Mr. Peter Webb as general immigration agent for some particular portion of Nova Scotia. Is that a fact?

Mr. ROCHE: No.

Mr. CHISHOLM: Has an application been received from Mr. Webb for the position?

Mr. ROCHE: Not to my knowledge. The hon. gentleman was not in the House before 6 o'clock?

Mr. CHISHOLM: No.

Mr. ROCHE: This question was asked by the hon. member for Guysborough (Mr. Sinclair).

Mr. CHISHOLM: I am asking for information for myself.

Mr. ROCHE: There was a petition sent in asking for his appointment.

Mr. MARCIL: Has the minister seconded the efforts of Rev. Mr. Caron, who has been endeavouring to bring in settlers along the National Transcontinental railway from Cochrane east towards the city of Quebec? Last year I gave some figures in the House. Rev. Mr. Caron had 300 settlers on one excursion.

Mr. ROCHE: Is he not employed by the Provincial Government?

Mr. MARCIL: I think he had some mission from the Dominion Government. He is probably employed by the province. His literature was printed, I think, under the auspices of the department.

Mr. ROCHE: He may be associated with one of the colonization societies.

Mr. MARCIL: Has the minister any information?

Mr. ROCHE: Not here.

Mr. MARCIL: A complaint was made at the time that the National Transcontinental was not being operated, and that those settlers were taken in under very great difficulties. The letter I received at the time said that a group of them who were ready to leave their homes in Quebec had to go by a round-about route through Ontario and then come back to Quebec. That is too large a question, however, to take up to-night. I do not know whether any arrangement has been made since then by the department to facilitate settlement along the line of the National Transcontinental from Quebec westward.

Mr. ROCHE: I understand several of the colonization agents are using their best endeavours to get settlers along the National Transcontinental. I do not know about this particular district.

Mr. MARCIL: The department is not doing anything itself?

Mr. ROCHE: No.

Mr. MARCIL: Does the minister not think it should do something?

Mr. ROCHE: When I say no, the department is paying some of the colonization agents. I do not know whether this gentleman is paid by the department or not. Several of those colonization agents are in the employ of the Government and they are bringing in settlers along the line of the National Transcontinental.

Mr. MARCIL: Outside of paying the salaries of the agents, does the department give any assistance to the work?

Mr. ROCHE: No, except by grants to colonization societies.

Mr. MARCIL: They have the distribution of the funds?

Mr. ROCHE: Yes.

Mr. W. M. MARTIN: I think I understood the minister to say two or three minutes ago that no effort is being put forward to bring labouring men into the country at the present time, and I also understood him to say that efforts are being put forward to bring in men to put on the land.

Mr. ROCHE: We are not paying bonuses on any class of immigrants coming to Canada except agriculturists, agricultural labourers and domestic servants. Those are the only classes of people whom we are encouraging to come into the country.

Mr. BURNHAM: Is the minister paying people to come to this country?

Mr. ROCHE: There is a bonus paid to booking agents for every agriculturist they bring into the country. We do not pay passages, and we do not assist the immigrants themselves in any way.

Mr. MARCIL: Do you make it a condition that immigrants shall settle in the country districts and not in the cities?

Mr. ROCHE: We endeavour to do so. We have immigration agents to look after them.

Mr. MARCIL: The minister realizes the importance of having them settle on the land?

Mr. ROCHE: Yes.

Mr. W. M. MARTIN: The decision of the minister as to the present condition of affairs is a very wise one. I agree that we should bring into the country at the present time only agriculturists—men who will go on to the land. For the future policy of immigration into this country, that would be the very best policy that the minister could adopt, and it would be in the best interests of the country. We have in this country too many men who do not go on to the land. If you take the

figures for the last few years and compare the population of the various cities with the population of the country. districts, you will be surprised to find how much faster the population in the cities has increased than the population of the rural parts of the country has done. I find that from 1900 to 1910 the rural population of the whole of Canada increased only 574,000, whereas the city population in the same time increased by 1,250,000, or 2½ times as fast as the rural population did. A portion of that increase in the cities must be due to the fact that we in Canada have not pursued the right policy of bringing immigration into this country. We have pursued the policy of getting men in in numbers, and not of picking the men whom we allow to come in. We all agree that we should build up the agricultural districts from one end of the country to the other. The cities apparently grow fast enough of themselves. Out of all the immigrants who came into the country during the last fifteen years, a large percentage went into the cities. It is difficult to understand why they go there. A large number of people go on to the land as farm labourers and homesteaders for a short time, and then gradually drift into the cities, and they do so under conditions that lead to starvation amongst a great many of them. I have never been able to understand why it is that people in this country will drift into the cities. They must be attracted by the glamour and pleasures of the cities. Wages may have something to do with it. It is generally understood that the wages paid in our cities are higher than the wages paid on the farms; but very often a man on a farm gets his board and lodging in addition to his wages. In that case the wages on the farm are almost as good as the wages paid in the cities. As a matter of fact, if you take the total amount of wages paid every year in the great manufacturing cities of Canada, and the total number of men who work in those factories, and find the average, it runs from $35 to $39 per month. Therefore, in so far as wages are concerned, there is simply no reason why men should drift into the cities from the farms. There are great industries in Canada. One is the manufacturing industry, and another is the agricultural industry. In so far as the strength of the industries are concerned, the agricultural industry at the present time is far ahead of the manufacturing industry, not only in the amount of capital invested, but in the amount of men employed and in the amount of production.

I think there is no question that our great success in the future will depend upon whether we have or have not a successful body of farmers and proper conditions surrounding those farmers. It is the duty not only of the Dominion Government but of the Provincial Government and of our municipal institutions to attempt to make conditions on the farm more pleasing to the people and thereby increase the production of our farms. If the Department of Immigration should not attempt to bring in any but agriculturists it would be well advised and its policy would be in the interests of the country.

Mr. BURNHAM: We took evidence for two years upon this very question before the Old Age Pensions Committee. We had people there from all over Canada, people in every walk of life. They were sworn and they gave their evidence absolutely without prejudice. I think that if the hon. gentleman will peruse that testimony he will find out largely why it is that the times seem so out of joint. It is true, there is a degree of glamour about life in the city—not in Montreal, I should judge by what is stated by the hon. member for Bonaventure (Mr. Marcil)—

Mr. MARCIL: In Peterborough.

Mr. BURNHAM:—but people like to be together where they can enjoy the moving picture shows, the advantages of the churches, the schools, and so on. But the fact of the matter is that life in the country —so the testimony shows—is such a disjointed, unorganized, unreliable sort of affair that the people do not really know what to make of it. The consequence is that when an attempt is made to move from the city to the country the people find they are up against hostile conditions. There is a chilly reception on the part of the people of the country for the urban settler. A man is easily swallowed up when he goes into the city from the country, but it is very hard for him to be swallowed up when he goes from the city to the country. The upshot of it all undoubtedly will be that strenuous conditions such as are spoken of by the hon. member for Bonaventure as existing in Montreal will compel the Government to devise some means of distributing the population of the country with advantage to themselves and advantage to the state. To my mind it is an absolutely senseless proposition to keep on asking people to come in here from outside when we are making no attempt to open

erate conditions at home. I cannot understand—no doubt, it is largely due to my limited understanding—why we should allow these conditions to continue. This country shows the extraordinary condition of tens of thousands of people in the bread line, roaming you may say through the purlieus of the cities in quest of work or food, and in a terrible condition of both body and mind and with no prospect for the future. These conditions, of course, may be said to have been brought about by fifteen years of misrule. They are not the product of a day, all must admit that.

As one of those who sat on the Old Age Pensions Committee, I deem it my duty to express the opinion that something ought to be done; that it is entirely improper to ignore the conditions revealed by the evidence taken before that committee at considerable expense. I must protest against any attempt to bring people in from outside until such time as we reconstruct the conditions within our country. Perhaps it is due to the fact that a momentous war is taking place, but conditions are rapidly becoming very serious in Canada. I do not think we are humane; I do not think we display that loving kindness which we certainly ought to display. Economic considerations are our daily care, but solicitude for the people is not; we are prepared to let them go to the block. I wish in my humble way to call attention to this fact. The situation must be dealt with; the people cannot and must not be ignored. This movement from the city to the country must be carried on with some degree of skill and promptitude. The continuance of the present system of calling people from all over the world to come to our country, at considerable expense to ourselves, while at the same time not extending a brass farthing for the benefit of our own people in that respect, is something that is quite beyond me.

Mr. BICKERDIKE: Is any provision likely to be made for the inspection of immigrants when they take passage on the other side instead of when they reach this country?

Mr. ROCHE: I presume the hon. member means by that: have we duplicated our medical inspection system, or have we under consideration the idea of abolishing our Canadian inspection and adopting in lieu thereof inspection on the other side of the ocean. As to the latter, we have not done so. As to the former, any persons who attempt to come into Canada in contravention of our immigration regulations or who prove to be undesirable, are within a certain specified time taken back to their homes at the expense of the steamship companies, and the onus is upon the steamship companies to see that they do not bring over any undesirables. They have medical inspection on the other side of the ocean. The inspectors examine the emigrants before they board ships, and accompany the vessel on the trip over. In addition to that, the boards of trade in the old country have their system of medical examination. If we attempted to put a staff of medical men over there, I do not think they would have any real status, and in respect of cases developing on board ship, we would still have to have a staff in Canada as well. I admire the hon. gentleman's persistency in trying to bring about the adoption of his suggestion in this regard. Theoretically, his doctrine is all right; I approved it more or less myself when in opposition. But when you have the responsibilities of administration on your shoulders, you have to take other things into consideration. It must be agreed that the carrying out of this principle is surrounded by a great many difficulties. In the first place, when the emigrants get on board ship at Glasgow, Liverpool and other parts, they arrive but a short time before the departure of the ships, and any medical inspection made at that time would necessarily be a very hurried one. There are features connected with deportation which we all deplore; families are broken up, persons in this country are unable to bring their friends over. But before these people take passage for Canada they know what regulations they have to comply with, financially and otherwise. More persons are rejected by reason of their not measuring up to the financial requirements than for any other reason; nevertheless, they all know before they leave their own country what the requirements are in this respect.

Mr. BICKERDIKE: The hon. minister is perhaps not aware, as some of us in the East are, that families that land in New York or at our own ports are often broken up for some reason; the mother or the child has to return to the other side. Expense should not stand in the way of adjustment of this matter. If the people are not fit to come into the country, they are not fit to come when the ship leaves the other side. Of course, in some cases, objections may develop on the way over, but as a general rule every person coming to this country

should know before he leaves the other side whether he will be allowed to land here or not. My hon. friend says that the great trouble is shortage of dollars and cents. I do not think it is a good policy to reject persons for that reason; many men possessing but $5 may be much more desirable than others who have as much as $200. For the past six sessions I have urged this matter upon the department, pointing out that it is an injustice and a crime that families who are brought out to this country simply because some immigration agent makes a little out of it. should be broken up when they get to this side. Once more—probably it is the last opportunity I shall ever have to do so in the House—I wish to impress upon the minister the necessity of inspecting emigrants on the other side instead of when they reach Canada.

Mr. MOLLOY: How many officials were added to the immigration staff at Winnipeg between September 1 and December 31, 1914?

Mr. ROCHE: I would have to get that information for the hon. member. Very few additions to the staff have been made; those who have been added to the staff have been placed there temporarily in connection with seed grain distribution.

Mr. J. J. HUGHES: Has the minister a representative of his department in Prince Edward Island.

Mr. ROCHE: I believe we have one in Charlottetown.

Mr. HUGHES: Can the minister give me his name?

Mr. ROCHE: Mr. McCready. He has been located at Charlottetown.

Mr. J. J. HUGHES: He is called publicity agent. How many men are employed in a similar capacity in Nova Scotia?

Mr. ROCHE: One.

Mr. MARCIL: After calling the attention of the minister to the conditions existing in Montreal and to the importance of controlling the immigration into that city, I procured from my room the letter addressed to me on the 15th of March by the secretary of the St. Vincent de Paul Society of Montreal. It is well known that the English, Irish and Scotch societies look after the poor of their own nationalities and the St. Vincent de Paul Society covers the French Canadian population, which of course forms the great bulk of the population of Montreal. Mr. Venier says that last year they came to the relief of three times as many poor people as in former years, and that they have been obliged to organize 75 sections of the society to cover the island of Montreal. On the 15th of February the officers of the society were visiting 3,524 families consisting of 7,094 adults and 11,476 children, forming a total of 18,570 who were receiving charity at that time from this society alone. Many of these are of course Canadians, but a large number are not Canadians, but people who have come to this country, who have gone into employment in the country districts and gradually worked their way into the city. Many of them are of foreign extraction and have become a charge on the community. The society, up to February 21 of this year had expended $54,690 in charity. It must be said to the credit of this society that not one dollar of this money has been paid for services of any of its officials, all the work done by members of the society is done purely for charity. No man or woman receives one dollar for his or her services and therefore this $54,690 is the amount actually expended for charity up to that time. He goes on to say that in the months of January and February alone 137,399 free soups were given to applicants by the charitable institutions in Montreal. This letter is in French, otherwise I would have read it for the benefit of the minister; but I would like to impress upon him the importance, as long as the present conditions exist in Europe and are reflected in Canada, of having very stringent measures adopted by the department to prevent the coming to this country of any man, woman or child liable to become a charge on our cities, because when the country districts are unable to look after these people they work into the cities. Montreal, at the present time, looks after the sick, the maimed, the wounded, the unemployed of practically all of the province of Quebec and a portion of eastern Ontario. When they have no relief of any kind in any of the smaller municipalities or villages, if they are sick beyond the assistance that can be given to them in the rural districts, they work into the cities and the cities have to look after them. The work of this society is greatly to its credit. I wish to impress on the minister the necessity of stringent measures on the opening of navigation to see that no person comes to this

country who is likely to become a charge upon it. This is the most important subject that the Administration has to face in the province of Quebec.

Mr. ROCHE: If the hon. gentleman had inquired a little more closely he would have found that the great bulk of these people are not immigrants.

Mr. MARCIL: I said that.

Mr. ROCHE: A very large proportion are Canadian-born. We have already during the present year circularized our agents in Europe several times to discourage the coming to Canada of any immigrants save of the class I have referred to, and I do not think we shall be troubled with any great mass of immigrants from across the ocean. I think there is probably a great deal in what the hon. member for Regina said. A good many have come to this country, have gone on farms, and, after the threshing, have flocked into the cities. I do not think the farmers themselves are entirely blameless in many 10 p.m. instances, because if the farmers were to keep their hired help all the year around, even at reduced wages, I think we would not have so many going into the cities. There are many going into the cities at the present time, and it is hard to prevent that. I think the situation calls for the co-operation of the farmers with the Government. We are doing our utmost to discourage any immigrants coming to Canada who cannot maintain themselves, and who do not measure up to the requirements of the Immigration Act. We are not desirous of seeing any come to Canada except those who have capital sufficient to establish themselves and those who want to go on the land. The hon. member for Montreal says that he does not care if a man has only $5. We have requirements which are enforced to prevent immigrants coming in who will become public charges upon entering the country. We would have far more coming to this country and becoming public burdens if the policy suggested by the hon. member for Montreal were adopted. The cash requirement is $50 in winter and $25 in summer.

Department of Immigration—contingencies, $20,000.

Mr. OLIVER: I notice there is a considerable reduction in this vote.

Mr. ROCHE: We are economizing—cutting down in our advertising and other expenses. We are not expending as much on literature as we did. The High Commissioner is supervising our expenses in the Old Country in conjunction with the assistant superintendent, Mr. Smith, and has recommended that certain items of expenditure be omitted during the present year.

Mr. OLIVER: Will there be a reduction in the number or the character of the atlases that have usually been issued by the department?

Mr. ROCHE: That is something we have a considerable demand for. We issue just enough to supply the demands of our agents in the United States and Great Britain.

Mr. OLIVER: I believe there are two atlases issued; one an atlas of Canada, and the other a western atlas. Can the minister say what the average yearly cost of these atlases has been for the last few years?

Mr. ROCHE: I can not give the exact figures just now, but the price has remained about the same for several years.

Mr. OLIVER: Where are they printed?

Mr. ROCHE: The Montreal Gazette prints a large number of them. The atlases for United States distribution are printed in Chicago, by Rand, McNally & Co., I think.

Mr. OLIVER. Which atlas does the Gazette print?

Mr. ROCHE: The atlas of Canada.

Immigration—administration of Chinese immigration; salaries, $30,000; contingencies, $20,000.

Mr. OLIVER: Would the minister make a statement as to how our Chinese immigration during the last fiscal or calendar year compares with the previous years?

Mr. ROCHE: In 1913-14 there were 238 exempts, and in the nine months of 1014-15 only 95. In 1913-14, 5,274 paid the head tax, and for the nine months of 1914-15, 1,148. The total revenue for 1913-14 was $2,644,593, for the nine months of 1914-15, $577,912. There has been no Chinese immigration since the first of July, for it is prohibited by the Order in Council passed last year.

Mr. MARCIL: Do you keep track of the Chinese after they come into Canada?

Mr. ROCHE: The American authorities say that we get the head tax, and they get the Chinamen.

Mr. MARCIL: There is a large colony of Chinamen in Montreal. Has the department no control over them?

Mr. ROCHE: No.

Mr. OLIVER: Perhaps the rule works the other way, and we may be getting the Chinese, whether the United States gets the head tax or not. There is no doubt at all that there is a very large Chinese population in Canada, and that it is increasing. Would the minister say whether it is the policy of the Government to permit or restrict the further increase of that population.

Mr. ROCHE: The Order in Council prohibits them from coming into Canada at all, which is about the best form of restriction we can have. According to the last census there were about 27,000 Chinese in Canada. Since 1885, 87,000 have come into Canada.

Mr. OLIVER: The prohibition of the entry of Chinese applies only to British Columbia courts?

Mr. ROCHE: That is practically the only way they come in.

Mr. OLIVER: It may be the only way they come in legally, but I am not at all satisfied that it is the only way they do come in. I think they have the same advantage in crossing the United States boundary as other people have.

Mr. MARCIL: Three is no Japanese or Hindu immigration at the present time?

Mr. ROCHE: No Hindu, and very little Japanese.

Mr. OLIVER: Are the Japanese subject to the same restrictions as the Chinese?

Mr. ROCHE: Under the Lemieux agreement with Japan the immigration cannot exceed a certain number.

Mr. MARCIL: Not even in war time when they are our Allies?

Mr. ROCHE: The immigration does not reach the limit stipulated in the agreement.

Mr. OLIVER: The Order in Council does not apply to them?

Mr. ROCHE: No.

Mr. OLIVER: The minister has stated that there were so many exempts. On what condition do they become exempt?

Mr. ROCHE: Those who are exempt are merchants and their families, and students who come to attend Canadian colleges or schools. It has been strongly urged that we should make our regulations more generous in regard to the admission of Chinese students. It is claimed that the United States are very much more liberal in that respect, and that they derive an advantage commercially for when these students go home after completing their course they practically become commercial agents and advertise the United States quite extensively.

Mr. OLIVER: The reason I ask about exempts is that before I left Edmonton a gentleman called on me and made representations in regard to the right of a naturalized Chinaman to bring over his wife from China. This man was able to pay the head tax, but did not wish to pay it. He did not consider it compatible with the dignity of a Canadian citizen. That is as it has been represented to me. Might I ask whether in such a case the woman would be exempt from the head tax?

Mr. ROCHE: If this gentleman was a merchant his wife would be exempt, but if he was not a merchant the fact of his being naturalized would not allow his wife to escape the head tax.

Mr. OLIVER: That is as it was represented to me. Half a dozen Chinamen may come to Canada and be constituted a mercantile company, and then they are entitled to bring in their wives free. This particular Chinaman came in many years ago, I believe as an employee, and though not a merchant he runs a large laundry and employs a considerable quantity of labour.

He is debarred from the privilege that is accorded others under circumstances that would seem not to entitle them to it so much as he. I am not making any plea on his behalf; I am merely placing before the minister the case as I received it. Under the circumstances I have stated, does the prohibition still stand?

Mr. ROCHE: Yes, unless he is a merchant. If we were to allow every one who runs a laundry to come in with his family, without paying the head-tax, there would be difficulty.

Mr. W. M. MARTIN: There are two timber reserves near Dauphin, one called the Riding Mountain reserve and the other called the Duck Mountain reserve, and it is rumoured through the country that these reserves are always held up as plums before the people at election time. It has even been said that men who vote right in the elections are promised homesteads on these reserves. What is the policy of the minister with respect to the further opening up of

these timber reserves; are there going to be any more homesteads on them or will they be left as they are?

Mr. ROCHE: It is not my intention to interfere at all with the boundaries of either the Riding mountain or the Duck mountain. Where any lands are withdrawn it is by reason of an inspection made and a report to the minister, and they are taken out by Act of Parliament. It is not my intention to withdraw any lands from the existing boundaries.

Mr. MARTIN: Then the position would be that there would not be any more homesteads there?

Mr. ROCHE: There will not be any more homesteads.

Mr. MARTIN: I am afraid the statement of the minister will cause some consternation among his political supporters in that district. At the last local election in Manitoba, and even in the election before, it was stated that those who voted Conservative were to get homesteads on one of these reserves. I moved for the papers some time ago, but I suppose they will not be brought down now so late in the session. I have asked if there was an investigation conducted by Inspector Cuttle, into certain things that took place in connection with the Duck Mountain reserve. Does the minister know anything about it?

Mr. ROCHE: I know of no investigation conducted by Inspector Cuttle regarding any lands in connection with the Duck Mountain reserve.

Mr. MARTIN: The source of my information is reliable and I can well understand that there might be an investigation which the minister would know nothing about, on account of the extent of his department. The facts brought to my notice are briefly these: it is said that the investigation was held either at a place called Roblin or Assessippi, into certain charges of irregularities in the opening up of the timber on the Duck Mountain reserve. At that investigation there were five different witnesses, whose names I have here, who appeared and said they were to get the privilege of squatting on certain tracts of land on that reserve and subsequently to get the right of homesteading, if they voted Conservative in the provincial election. The second condition imposed on them was, that they should pay $100 each to a man named R. H. Keay, who is a justice of the peace, and magistrate at a place called Roblin. I am also informed that there was evidence given before Mr. Cuttle at that investigation, that no fewer than 17 promissory notes for $100 each were drawn up in a certain store in, I think, Roblin, and signed by 17 of these applicants for homesteads, and that all of these men subsequently were allowed homestead entries. I do not pay very much attention to the fact that they voted Conservative, but I do pay attention, if what I am told is true, to the fact that 17 men had paid $100 each to a justice of the peace located in that part of the country, as a condition precedent to their getting a homestead. If that is the condition of affairs, I submit to the minister that it is very serious. I respectfully submit to the minister also, that if there has been no investigation and if these facts have not been brought to his attention previously, some investigation ought to take place now, and if what I am informed is true, some action should be taken.

Mr. ROCHE: Is Mr. Keay in the employ of this Government?

Mr. MARTIN: No. He is a justice of the peace and a very prominent Conservative in that district.

Mr. ROCHE: What has he got to do with it?

Mr. MARTIN: Apparently he had everything to do with it, because he had to get $100 before a man could get a homestead, and the most peculiar part of the affair is that the inspector who made the homestead report, subsequently, Inspector Spears, recommended every one of the men who paid the hundred dollars to get a homestead, and not a single man who did not pay one hundred dollars, got a homestead. I bring these facts to the attention of the minister in the hope that an investigation will be made. I know that the minister himself would not stand for it for a minute, but the minister is not aware—to use an expression I have heard used before—of all the skulduggery that goes on in Western Canada under the guise of his department. The minister does not know anything about it, and if he did he would not stand for it for a minute. I think the minister told us that there was no politics in his department in the West. As far as the Department of Immigration is concerned, I do not know whether they have politics in it or not. I am not worrying about that very much, but I can tell the minister that there are

politics in the administration of the Department of the Interior, and whether he is to blame for it or not I do not know. A condition precedent to a man becoming homestead inspector in Saskatchewan is that he must be one of the most violent Tories in the district he resides in. There is not one of them who was not a violent Tory politician, and there is not one of them whom I know at the present time who is not more an election agent than he is a homestead inspector, and that not only in Dominion elections but in provincial elections. These are facts that should be brought to the attention of the minister because I know that so far as he is concerned he does not want to administer his department in a political way.

Mr. ROCHE: Whoever the hon. gentleman's informant is has informed him wrongly. The only lands I know of, taken out of the Duck Mountain reserve, were taken out prior to this Government coming into power and were given to so-called squatters, and the gentleman who did this subsequently on oath swore that he gave them to men who were friends of the then Administration, and who were not squatters at all. He did it by the wholesale, and he admitted he did it. That is all I know about the Duck Mountain reserve. As to the questions which the hon. gentleman has been putting on the Order Paper as to Inspector Cuttle's investigation into the Duck Mountain reserve, he has been truthfully answered. Inspector Cuttle held no investigation respecting any land regarding Duck mountain.

Mr W. M. MARTIN: I did not put any question on the Order Paper about Duck mountain; I moved for the papers.

Mr. ROCHE: The hon. gentleman wanted the Inspector's report, and there is no report because he held no investigation into that reserve. But Inspector Cuttle did hold an investigation in connection with certain charges made by one individual, a very strong Liberal, who was a disappointed homestead-seeker himself. At my instigation these homesteads were thrown open some time last fall, they having been taken out of the Riding mountain by Act of Parliament last session, as the hon. member for Dauphin (Mr Cruise) knows. Last fall after I returned home during my convalescence, I did give instructions to the department to throw these lands open for homesteaders under the regulations; but before doing so, I asked them to have an inspection made to see if there were any bona fide settlers on that reserve and, if there were, while they had no legal claim by reason of being on the lands after survey, still I thought it would be right and proper, if they were legitimate squatters and bona fide settlers, that they should be protected. The inspection was made; the report was sent into the department, and homestead entry was granted, I understand, to all of those who were favourably reported upon. Each individual case was reported upon as to the amount of work done, the amount of improvements made, whether or not buildings have been put up, the amount of brushing done, and so on. There were some cases where the men were not at home when the inspector went around, but the inspector heard from the neighbours that they were away threshing with some one or something of that nature. Such cases were not favourably passed upon, and the inspector was instructed to go back and make another inspection to satisfy himself that those cases were as legitimate as were the ones passed upon. A letter was sent to the department by a gentleman—I do not know whether he was a Galician or a German; I think probably he was a Galician—who had applied for a homestead. He had exhausted his right for homesteading; and because he did not get a homestead, he made some rather serious accusations. Some of them were true, but many of them were untrue.

Mr. W. M. MARTIN: When was that investigation held?

Mr. ROCHE: After the New Year.

Mr. MARTIN: Was it not in December or last fall?

Mr. ROCHE: Instructions may have been given to hold the investigation in December, but I do not think the investigation was held until after the New Year. The man stated that because he was a Liberal, he was denied a homestead, whereas other settlers who had signed notes to a man—he did not say who the man was—had been allowed to take up homesteads. It chanced that the assizes were going on in my own town, and a Mr. Keay, who was on the Grand Jury, came to see me at my residence. In discussing matters generally, I told him of this complaint that had been forwarded to me by the department. I immediately replied to the department: "That kind of thing

cannot go on, if it is going on, and I wish you to authorize an investigation to be held to see if those charges are true." I mentioned this matter to Mr. Keay. Mr. Keay said: "Oh, there is nothing in it; I am the individual to whom they refer. What happened was this: In a few instances those Galicians who had squatted upon the land did not know where their stakes were, because the grass and scrub had grown up and covered them. I am old settler there"—he lives at Assessippi;—"they asked me if I would go out and locate their lines. I went out. I charged them a fee for doing so. I got very little, but I took some notes." He left the wrong impression upon my mind. He left the impression that there were only two or three cases and that it was a matter of only $10 or $15. Therefore I ordered Mr. Cuttle to hold the investigation. Mr. Cuttle went up there; held the investigation; took the evidence under oath, and found that Mr. Keay had taken about seventeen notes for $100 a-piece from those people for locating them upon the land, not because they had voted this way or that, because as a matter of fact the evidence does not show that. I have read the evidence.

Mr. W. M. MARTIN: The information that I received came from a man who gave evidence before Mr. Cuttle.

Mr. ROCHE: Was that Mr. McLellan?

Mr. MARTIN: I do not wish to give the name to the minister. I am informed that this man gave evidence before Mr. Cuttle to the effect that he saw seventeen of those notes made out for $100 a-piece in favour of Mr. Keay, and that five of the men themselves said that they had to give the notes before they could get homesteads. If the report shows anything else, the evidence was not reported correctly.

Mr. ROCHE: I do not think that is in the evidence of Mr. McLellan. He swore that it was a very ordinary thing for these Ruthenians to offer money to the Canadian settlers to do this kind of work. In fact, he said, he had been offered it many times himself, and they look upon it as nothing wrong. He entirely exonerated the officials of the department of wrong-doing. This man Keay had nothing to do with the department. He went out to locate the land. These notes were given, but I wrote to the homestead inspector and the inspector of land agencies to notify each and every one of the men who had given the notes not to to pay a dollar. I said it was nothing less than robbery. I told him he would not take it into court if he has any regard for his reputation. I may say that I am no longer a friend of Keay's if that is any satisfaction to the hon. gentleman.

Mr. MARTIN: He is a justice of the peace.

Mr. ROCHE: We do not appoint justices of the peace.

Mr. OLIVER: That is highly to the minister's credit.

Mr. ROCHE: He imposed upon these settlers, no doubt. I do not know that the evidence shows that in any case these notes had been paid, though it shows that the notes were given. I gave instructions that they were not to be paid. Nobody connected with the department had anything to do with it. There was no promise about votes; it was after the Provincial elections had been held. These people did not know they were going to have their rights protected until the month of October. That was the month I returned from Rochester, and I was glad to know that no appointee of this department had anything to do with it, and I think Mr. McLellan was good enough to state that in his evidence.

Government of the Yukon Territory—salaries and expenses conected with the administration of the Territory, $128,000.

Mr. MARCIL: Will the minister give us an idea of the population of the Yukon at this time?

Mr. ROCHE: If hon. members do not mind, I will ask the hon. member for the Yukon (Mr. Alfred Thompson) to speak, as he is better posted on the subject than I.

Mr. ALFRED THOMPSON: The population of the Yukon at the last census enumeration was about 9,000.

Mr. MARCIL: In what year was that taken?

Mr. THOMPSON: In 1911. The population of the Yukon fluctuates somewhat. Last year a few more people came into the Territory than left it.

The Yukon—grant to local council, $125,000.

Mr. MARCIL: How is that expended?

Mr. ROCHE: We make a grant and the local council expends it.

Mr. MARCIL: What is it expended for?

Mr. THOMPSON: In building roads and trails in outlying districts, repairing bridges and maintaining roads already built; also in providing for hospitals and schools and for other charges devolving upon the local government of the territory. Besides this we have a special grant this year of $100,000 for roads. Nothing is a more important factor in the development of a frontier country than transportation. This is particularly true of the Yukon, where the cost of freighting goods and supplies from the coast cities or from the East to the Territory is exceedingly high, compared with charges in other sections of Canada. These moneys are used chiefly for transportation purposes.

Mr. MARCIL: Does mining remain the chief industry of the Territory?

Mr. THOMPSON: Yes, and I am glad to inform the committee that the output of gold has been well maintained for the last few years. We are producing about $5,000,000 per year in gold. We have also some very encouraging prospects in the way of silver-lead mines in a new section of the territory recently opened on the Upper Stewart river. Copper mining has been successfully carried on at White Horse in the southern end of the territory, and was in a very promising state until the outbreak of the war, when the prices of metals dropped and mining had to be temporarily suspended. Coal mining is also a factor in the economic development of the Territory, and geologists tell us that we have within the four corners of the Yukon five billion tons of good coal.

Mr. MARCIL: Of what kind?

Mr. THOMPSON: It belongs to the lignite series so far as yet discovered. It it fairly well distributed.

Mr. MARCIL: Is placer mining carried on?

Mr. THOMPSON: There are three classes of placer mining, the original method of thawing hoist and sluice-box, the dredging method and the hydraulic method. The greater part of the gold is won by the use of huge dredges which float in their own ponds. The dredging industry in the Yukon is carried to a very high state of development; we have some of the very largest gold dredges in the world. These are driven by electricity developed from the water-powers on the Klondyke river itself.

Mr. MARCIL: Are there any American companies operating in the Yukon at present?

Mr. THOMPSON: Yes, we have one large American company, one Canadian company, and another company is being floated which will be chiefly English capital. There is in the outlying districts of the Klondyke, and in fact in other districts of the Yukon, the ordinary placer mining concerning which the hon. member asked. But in the older creeks in the Klondyke district itself, gold is won chiefly by dredging and hydraulicking.

Mr. MARCIL: Has there been any improvement in the transportation facilities within the last year or two? Is the country easier of access?

Mr. THOMPSON: Not so far as the building of railways is concerned. We still use the railway connecting tide-water at Skagway, Alaska, with Whitehorse, on the Yukon river.

Mr. MARCIL: This road runs in American territory?

Mr. THOMPSON: Twenty-three miles from tide-water to the summit is in American territory. The road is 110 miles long. When we reach the Yukon river, the freight is transferred to river boats and carried down to Dawson. Of course, we have a system of boats going right to Behring sea. Freight can be transhipped there to ocean boats and taken down the North Pacific to the ports of British Columbia and Washington. There is a regular steamship service there.

Mr. OLIVER: How much royalty is collected on the $5,000,000 of gold output?

Mr. THOMPSON: The royalty on gold in the Yukon is 2½ per cent. Every dollar's worth of gold raised must pay this royalty at the Gold Commissioner's office.

Mr. OLIVER: What proportion of this $5,000,000 was taken out by the more primitive method, aside from hydraulicking and dredging?

Mr. THOMPSON: I could not give the figures exactly, but I should say that at least four and a half millions of that gold is won by dredging and hydraulicking. Certainly not more than three-quarters of a million is won by the ordinary placer mining method to-day.

Mr. MARCIL: Where is the gold assayed?

Mr. THOMPSON: A good deal of it is shipped to our own assay office at the Mint in Ottawa. It is sent in small bricks by registered mail direct to the mint. This was the rule until the beginning of 1914, but for a time the Mint was not in a position to handle our gold because they were enlarging the refinery and so the refinery was not working. The gold that our own mint does not get, goes to the mint in California, in the main. Some goes to the Seattle assay office. When the Klondyke was discovered the United States placed an assay office in the city of Seattle for the purpose of getting the Klondyke and Alaskan gold to come to the Pacific coast cities. That was a very good thing for them to do; their policy justified itself. It resulted in a stream of our gold pouring into the Pacific coast cities of the United States for years, and the cities of Seattle, Portland and San Francisco benefited very materially. At that time we were not in a position to handle our own output of gold. Since then, I am glad to say, we have established an assay office of our own in Vancouver, and the gold may be marketed there. But it can also be forwarded to the mint here by either express or mail. A good deal of it comes here, and that which does not come here, goes in the main, to San Francisco or to the assay office in Seattle.

Mr. MARCIL: Is the Yukon self-supporting so far as agriculture is concerned?

Mr. THOMPSON: Not as yet. But there are great agricultural possibilities in the Yukon. One of the difficulties we have there is in importing feed for our stock. In the Yukon hay sells at the same price per pound as oats the year round, and in the fifteen years during which I have been in the Territory, I have never known hay to be sold for less than four cents a pound or $80 a ton, and at this time of the year, in the spring, it is from $100 to $120 a ton.

Mr. MARCIL: Quite a luxury.

Mr. THOMPSON: Yes, however, the United States Government is carrying on some very interesting experiments in agriculture in the Yukon valley, in Alaska, just across the boundary. They have there a gentleman named Georgeson who is attending to some agricultural experiment stations that they have in the Yukon valley. He has succeeded in getting a type of alfalfa which matures in Siberia in about our latitude and in about the same environment that we have in the Yukon

He has succeeded in transplanting and growing successfully yellow-flowered alfalfa in the Yukon valley. I have this information from himself and it is accurate. He entertains the hope that eventually the Yukon valley will raise its own fodder.

Mr. SINCLAIR: Where can the seed of that alfalfa be procured?

Mr. THOMPSON: I cannot say just where it can be procured, but if my hon. friend will write to Professor Georgeson at Sitka, Alaska, who is in charge of the agricultural stations of the United States Government there, he will be glad to give him any information on the subject.

Mr. SINCLAIR: The farmers of Nova Scotia have repeatedly tried to raise alfalfa and, on account of the climate, I suppose, have failed to do so successfully. It is grown very successfully in the western states, especially on the foothills of the Cascades. If there is a grade of alfalfa that will grow in a colder climate, it should be generally known so that the people may have an opportunity of getting the seed.

Mr. HAZEN: My impression is that they have succeeded in growing alfalfa successfully in the neighbourhood of Sussex, in Kings county, N.B.

Mr. THOMPSON: We grow excellent potatoes there. Barley and oats ripen there every year. Wheat has been known to ripen there, although it is not grown extensively. The cost of labour is so great in the Yukon that up to the present time agriculture has not been carried on to the extent of the great possibilities the country offers.

Mr. MARCIL: What is the length of the summer season there—what we might call the farming season?

Mr. THOMPSON: Wild flowers bloom in the vicinity of Dawson about the same time that they do in Ottawa—about the last week in April. We have practically no spring; just a plunge from winter into summer. May, June and July are our three summer months. August is a fall month; it is quite cool in September.

Mr. MARCIL: I suppose frost come in August?

Mr. THOMPSON: We have a frost every year in July. That is one thing we have to look out for in raising some of the tenderer plants.

Mr. A. W. CHISHOLM: You grow potatoes there, but you cannot use them, can

you? They are very large and soft, are they not?

Mr. THOMPSON: We have a great many things to learn about vegetables. What my hon. friend says is more or less true. Hon. gentlemen must understand that this ground is frozen to bed-rock. We have a very light rainfall there, and on account of continuous thawing caused by the warm sun of summer, moisture rises from the frozen ground in sufficient quantities to make things grow. Potatoes grown in the rich loam of the river bottoms are wet and soggy, to a certain extent, but on the hillsides, where the loam is more mixed with sand, where there is not so much vegetable matter, and where the hillsides are well drained, we can grow a potato that is very dry and mealy; really a good tuber.

Mr. A. W. CHISHOLM: I understand that you are quite successful in raising certain kinds of vegetables?

Mr. THOMPSON: Yes. Cauliflower and celery thrive there. Radishes grow rapidly and are very good. We raise tons of tomatoes, but under glass.

Mr. MARCIL: Are most of the people in the Yukon of Canadian origin?

Mr. THOMPSON: Yes, they are of Canadian origin, or have become citizens of Canada. In the early days the greater number of the citizens were foreigners, but to-day they are practically all Canadians.

Mr. MARCIL: Is there any hope that in the near future there will be sufficient development to attract a larger population?

Mr. THOMPSON: Hope springs eternal in the human breast—this is particularly so among the prospectors in these metalliferous regions. Every year a small army of prospectors roam around among the hills; we always expect that one of them will discover another Klondyke, although, unfortunately, that hope has not yet been fulfilled. Only a small percentage of that vast territory of 200,000 square miles has yet been even examined in anything more than a most superficial way. The people live chiefly along the great water-courses, the Yukon and its tributaries. The country has a great future; the last page of its history has not yet been written by any means.

Mr. MARCIL: Relatively speaking, is the country as good as Alaska is?

Mr. THOMPSON: We believe it is, with this exception: we have not quite the variety of climate that they have in Alaska. In the Yukon we are shut off from the sea. The strip of sea-coast from Mount St. Elias to the Portland canal went with the sale of Alaska to the United States by Russia; therefore we in the Yukon have no seacoast on the Pacific, while the Alaskan people have. On that sea-coast they have a different climate altogether from what we have in the plateau which is drained by the Yukon river. So far as the interior of Alaska is concerned, perhaps our Yukon country is a little better, because we have in the south-eastern portion of the Yukon very large areas suitable for grazing, which eventually will be an important industry in the Yukon. As the Mackenzie River valley and the Northwest is settled, and grazing land becomes scarcer, the valleys of the rivers tributary to the Yukon will furnish grazers large areas where they can follow their business profitably.

Mr. MARCIL: Has there been any appreciable change in the climate of the Yukon within the last ten years, since the country has become more thickly populated?

Mr. THOMPSON: I really think not. The records do not go back very far, but so far as they do give us information, we have not been able to notice that there has been any appreciable change. This winter has been exceptionally mild, but I think that mildness has prevailed all over the country.

Mr. OLIVER: When I was last in the Yukon I observed that fires had destroyed timber along the rivers. Is there a more systematic protection against fire now, and has there been any destruction of timber since that time? I would consider that such timber as there is there is very valuable, and that it is necessary to see that it is conserved at almost all costs.

Mr. THOMPSON: The hon. member is right. Timber is a most valuable asset of our country, for its present and future development. We have lost a good deal of timber by fire, but we have fire rangers now whose particular business it is to stamp out fires.

The Northwest Mounted Police also do excellent work in this regard. We try to stamp fires out as soon as possible or prevent them if we can, because we realize how important it is to conserve our timber resources in that territory.

Grant to Local Council for maintenance of and repairs to roads, $100,000.

Mr. OLIVER: What are the principal roads?

Mr. THOMPSON: The principal road is our winter road from Whitehorse, at the head of navigation on the Yukon to Dawson. It is about 360 miles in length, and is our main thoroughfare for seven months in the year. Besides that we have roads radiating from Dawson to the gold-producing streams, a very fine system and one on which the Government has spent a great deal of money. The expenditure is justified because gold-mining is the basic industry of the country, and it is of the utmost importance to get supplies into the mines. This is in the immediate vicinity of Dawson, and we are extending the system up the Klondike valley and up the Stewart and White rivers. Wherever, in fact, there are indications of a camp being located, we try as soon as possible to give roads to connect with the watercourses.

Mr. OLIVR: How far does the winter road extend west from Whitehorse towards the Kluane valley?

Mr. THOMPSON: We have a road there 150 miles through the interior towards the Kluane country, perhaps more. Then there are roads around Whitehorse, connecting the various mines with Whitehorse and some in Fortymile in the lower end of the territory. All of these roads cost a good deal of money to maintain from year to year and of course new roads are required from time to time. For instance, last year on the overland trail from Whitehorse to Dawson we put ferries on the Yukon and Stewart rivers, so that now a person may drive by automobile from the head of navigation to Dawson City.

Mr. MARCIL: The roads are fairly good?

Mr. THOMPSON: Excellent roads, we have automobiles and all kinds of carriages in this country.

Mr. MARCIL: Are the roads made with gravel?

Mr. THOMPSON: Yes, wherever we can, we build the roads on the side of the hills so that they are easily drained and have a gravel bottom. Of course, in crossing the tundra it is necessary to corduroy. The hon. member for Edmonton will bear me out that we have an excellent system of roads in that country considering that it is a mining camp.

[Mr. Thompson.]

Mr. OLIVER: The hon. member says that the road west of Whitehorse goes 150 miles. What is the communication from Whitehorse to the White river copper fields? Is there a wagon road all the way?

Mr. THOMPSON: No.

Mr. OLIVER: How much is road and how much is pack trail, or do they go in that way at all?

Mr. THOMPSON: Yes, they go in that way, that is the way they go in. In winter we have a trail connecting Whitehorse with the White River copper fields. In the summer they go by lake Kluane, which is 150 miles west of Whitehorse, and either hire or make boats there and sail down to the White river and up the White river to the copper fields. They may also go down the Yukon to the White river and up the White river to the copper fields. In the Estimates for the Public Works Department there is an item of $5,000 for the removal of obstructions to navigation in the Yukon. I intend to ask the Minister of Public Works to segregate $1,000 of that for the removal of some obstructions in the White river and the Donjek which connects Kluane lake with the White river. This will make it possible for boats to ply from the Yukon into lake Kluane and open up what is in itself a small empire. That will give the miners in that section, which is a promising section, excellent transport accommodation. This will enable them to cut their freight rates in two and you can understand the importance of what I say about transportation when I state that it costs from 14 to 20 cents a pound to get supplies into these remote mining camps. Anything we can do to assist the miner to get supplies to the seat of his operations aids to that extent in the development of that great territory.

Astronomical Surveys—investigations and demarcations of the exterior boundaries of Canada, the triangulation, levelling and topographic work of the Geodetic Survey of Canada, and astronomical work of the Department of the Interior, including the expenses of the Dominion Astronomical Observatory at Ottawa and the branch therefrom at Saanich Hill, B.C., and $1,000 to W. F. King, as International Boundary Commissioner, $260,000.

Mr. OLIVER: As this is a year of economy, I would ask the minister if the work demanded under this vote is so

11 p.m. urgent that it would not have been profitable to practise economy in regard to this particular vote?

Mr. ROCHE: There is a good deal of this which is uncompleted work. For instance, the boundary survey is made under treaty, and it must be done. We could not very well avoid it. It will not be very long before that is all completed. The portions yet uncompleted are the Ontario-Minnesota boundary and the Quebec-Maine boundary.

Mr. OLIVER: I think it would have been fairer if the vote had been divided between the boundary work and the geodetic survey. How much of this is for the geodetic survey?

Mr. ROCHE: $125,000, and $60,000 for the boundaries.

To provide for payments on account of the construction and installation of a large reflecting telescope for the Dominion Astronomical Observatory (Western Branch), $31,500.

Mr. OLIVER: What will be the total cost of that telescope?

Mr. ROCHE: A very little over $90,000.

Mr. OLIVER: What is the purpose to be achieved by the installation of this expensive instrument, that is as compared with the instruments previously in use?

Mr. ROCHE: This is a subject of a rather technical character and I do not profess to be familiar with the details. I understand that it will be the largest telescope in the world. We wished when installing a new telescope to have something that would be of the greatest credit to the country. A very large and influential deputation waited on us urging that this should be gone on with. Certain experiments were made to ascertain the most suitable place for its location, in Eastern and in Western Canada. It was decided that it would be far better at Saanich Hill, which is eight or nine miles out of Victoria. The road up to the telescope will be very expensive to build, but the Provincial Government are allowing us a grant of $10,000 towards the purchase of the land. It is estimated that the road will cost $20,000, which will be paid by the Provincial Government.

Mr. MARCIL: Where is the telescope being made?

Mr. ROCHE: Part of it is being made in Cleveland, and part in Pittsburgh.

Mr. MARCIL: What is the diameter?

Mr. ROCHE: Six feet. It is the largest in the world.

Mr. OLIVER: I do not wish to press the matter unduly or to ask for technical explanations that I would not understand even if the minister could make them, but again I say there must be some important purpose to be served by the installation of such a magnificent instrument as this, and I am sure the country would be interested in knowing just what the purpose is. We do not want this information for purposes of criticism, but simply to understand the object the astronomical department has in view.

Mr. ROCHE: I understand it is to enlarge the scope of the present work, which they claim is not at all commensurate with what should be done in a country like this. It would be no good for me to go into the technical details for I could not do it justice, but I understand it is to do the work on a much larger scale than our present equipment will permit.

Mr. OLIVER: Is it research work, educative work, or astronomical?

Mr. ROCHE: Astronomical work, stars and other things.

Mr. OLIVER: As the House meets at 11 in the morning and the committees at 10, and as it is now 11 o'clock and we have put through a number of items this evening, I think the House might rise.

Mr. ROGERS: We do not want to object at all, but the Secretary of State would like to get some of his Civil Government Estimates through to-night. We could make some progress in the next few minutes, and then adjourn.

Mr. OLIVER: I do not wish to press it very much, but the only person on this side of the House who could criticise the civil government of the Department of the Secretary of State is the ex-secretary, who does not happen to be here. I do not think there would be any time lost if the minister would adjourn.

Mr. CODERRE: I will go on to-morrow.

Progress reported.

On motion of Mr. Rogers the House adjourned at 11.10 p.m.

Saturday, March 27, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

REPORT.

Report of the Department of Trade and Commerce, Part 4, for the year ended March 31, 1914.—Sir George Foster.

PRIVATE BILLS.

FIRST READINGS.

Bill No. 108, respecting the Moncton and Northumberland Strait Railway Company. —Mr. Robidoux.

Bill No. 107, respecting a patent of John Milne & Son, Limited.—Mr. Kyte.

SPECIAL WAR REVENUE BILL.

On motion of Hon. W. T. White (Minister of Finance) the order for the third reading of Bill No. 76, to supplement the revenue required to meet war expenditures, was discharged, and the House again went into committee on the Bill, Mr. Sevigny in the chair.

Mr. WHITE: Mr. Chairman, the amendment which I have to propose is to subsection 3 of section 20. It was called to my attention the other day that there might possibly be an abuse of the provisions of this section, under which we provide that action for the recovery of penalties may be taken in the name of the Minister of Finance, Minister of Inland Revenue, or in respect of penalties under Part 3, in the name of the Minister of Inland Revenue, or any other person. It was suggested that this might lead to litigation of a vexatious character. I have been impressed with the view put forward, and, while there is abundant precedent running through not only our own statutes but the statutes of the United Kingdom regarding the imposition of taxes justifying the language used, still, on account of the somewhat far-reaching character of this legislation, it has appeared advisable to the Government that the objection should be met and a modification made accordingly. I therefore have to submit the following amendment:

Subsection 3, section 20, line 35, after the words "Part Two" insert the words "and Part Three," and at line 36 of the same subsection, after the words "Inland Revenue," strike out all the remainder of the subsection.

The section will then read as follows:

3. All penalties imposed by this Act may be sued for, prosecuted and recovered with costs by His Majesty's Attorney General of Canada, or, in respect of penalties under Part One, in the name of the Minister of Finance, or, in respect of penalties under Part Two, and Part Three, in the name of the Minister of Inland Revenue.

[Mr. Coderre.]

That will ensure that private individuals will not institute any prosecutions of a vexatious character.

Although the debate is, I believe, confined to the particular amendment which I mentioned in moving the resolution, I may be allowed to advert to another matter to which I promised to give consideration pending the third reading of this Bill. It relates to the International Postage Convention. The committee will recall that a question arose as to whether it would be necessary for the public to put an additional war stamp on letters where the postage is already five cents, which is the maximum postage referred to in the convention. I find that the Post Office Department has communicated with the International Bureau at Berne, and in reply it has been advised that letters and postal cards for international service cannot be subjected to any tax or fee or postal charge other than that which is established by the provisions of paragraph 1 section 12. I do not desire to discuss again the question of whether this is a tax or a postal charge. It makes no difference whether it is the one or the other. It is not open to the Government, without violation of the convention in question, to impose an additional tax or an additional postal charge. That is in substance what I stated to the committee the other day.

Sir WILFRID LAURIER: I certainly am of the opinion that the amendment which is now proposed ought to be favourably considered. This tax is a restriction, as all taxes are, upon the liberty of the subject. It is taking away from every one's revenue, and it may be abused. We know that all such taxes which bear a penalty are liable to be very seriously abused by a class of speculators who make it their duty to see that a man does not trespass beyond the law, and who take advantage of the opportunity if he does trespass. I approve the amendment, but I think my hon. friend would improve it if he were to say:

All penalties imposed by this Act may be sued for, prosecuted and recovered with costs by His Majesty's Attorney General of Canada.

Why go beyond that? The amendment goes on to say:

Or in respect of penalty under Part 1, in the name of the Minister of Finance, or in respect of penalties under Part 2 and Part 3, in the name of the Minister of Inland Revenue.

The Attorney General, by reason of his office, is the one who should look after

infringements of the law. It is not in the province of the Minister of Finance nor of the Minister of Inland Revenue to look after infringements of the law. That is the special duty conferred upon the Department of Justice. I cannot see any reason, and my hon. friend cannot give any good reason, why in one case the Attorney General should prosecute and in another, not the Attorney General, but a minister, should prosecute. My hon. friend is not able to give any good reason why there should be a departure from the principle to which I have referred, that is, that the Department of Justice is entrusted with looking after infringement of the law.

Mr. WHITE: My right hon. friend has put forward the principle of uniformity. On account of my right hon. friend's long experience in legislation, I always treat any suggestions put forward by him with the greatest respect; but I will point out to him that in this amendment we are having regard absolutely to uniformity. My right hon. friend has overlooked the fact, or it has escaped his memory, that under the Inland Revenue Act, chapter 51, Revised Statutes, section 132, it is provided:

> That every penalty incurred for any offence against the provisions of this Act... if the amount or value of such penalty does not exceed $500, may be recovered or enforced by summary conviction under Part XV of the Criminal Code.

There is nothing in the Statute which says that information is to be laid by the Crown or under the authority of the Crown. Paley on Convictions, page 73, says:

> Generally, any person may be an informer, but sometimes the statute governing the penalty allows only particular persons to inform.

The conclusion is, therefore, that any person may lay an information under the Inland Revenue Act for penalties recoverable by summary conviction.

Under the Inspection and Sale Act, chapter 85, Revised Statutes, section 45, it is provided that where the penalty or forfeiture exceeds $40, it may be sued for and recovered by any inspector, deputy inspector or any other person.

A somewhat different policy is provided by the Customs Act, section 266, which is as follows:

> All penalties and forfeitures imposed by this Act or by any other Act relating to the customs or to trade or navigation shall, unless other provisions are made for the recovery thereof, be sued for, prosecuted and recovered with costs by His Majesty's Attorney General of Canada, or in the name of the Commissioner of Customs, or any officer or officers of customs, or other person or persons thereunto authorized by the Governor in Council, either expressly or by general regulation or orders, and by no other person.

In practice what I understand is done is this: If the informer desires to lay an information, he gives it to the Inland Revenue officer or officers, and prosecutions are then instituted. Therefore, so far as my hon. friend's exception or objection is founded upon the principle of uniformity, he will observe that we are strictly in accord with Dominion Statutes which have been in force for a number of years. There appears, therefore, no doubt that there is ample precedent, including the Inland Revenue Act itself, for the form of legislation here adopted of allowing a private individual to institute proceedings for a penalty; but in this particular case, for the reasons I have given, and in order that we may avoid the possibility of vexatious litigation—I do not think that would have occurred—we have thought it well to lodge the right of prosecution only in a minister of the Crown. With that amendment to the Act, and in view of the fact that we are preserving, as I have stated, uniformity of the statutes, it would appear to me that the amendment that I have suggested would be quite ample to meet the objection raised by my right hon. friend.

Sir WILFRID LAURIER: My hon. friend is doing the very reverse of what he says he is doing. He says he is putting in this amendment for the purpose of uniformity, and he refers to the Inland Revenue Act. That Act says that proceedings can be instituted by any informer. In this case the minister prevents the informer from laying information. Therefore, he diversifies, and then having taken from the Inland Revenue Act the power of having proceedings instituted by an informer, he refers us again to that Act. The point is not worth fighting about; but it seems to me that, if this Government is to become a party to a suit, the only one who ought to become that party is the Attorney General. Yesterday, when the Militia Estimates were under consideration, I claimed that certain proprietors had not been paid for their land, and I was told that the matter was in the hands of the Attorney General. And so it ought to be. This legislation would be simplified if such matters were left in the hands of the Attorney General.

Mr. WHITE: When I spoke of uniformity, I quoted not only the Inland Revenue Act, but the Inspection and Sale Act, under which any penalty or forfeiture exceeding $40 may be sued for and recovered by any inspector, deputy inspector, or other person. I also referred to the Customs Act, under which the penalty may be recovered " by the Attorney General, or in the name or names of the Commissioner of Customs, or any officers of the customs, or other person or persons thereunto authorized by the Governor in Council, either expressly or by general regulation or order, and by no other person." It was in reference to those statutes in particular that I spoke of uniformity. My right hon. friend, however, says the matter is not worth wasting any further time on.

Mr. PROULX: Then, no prosecutions could take place without the consent of the Attorney General?

Mr. WHITE: Practically not without the consent of the Attorney General.

Amendment agreed to.

Sir WILFRID LAURIER: The Minister of Inland Revenue could dispense with the opinion of the Attorney General.

Mr. WHITE: He would not do it.

Sir WILFRID LAURIER: But he may.

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

SUPPLEMENTARY ESTIMATES FOR 1914-15.

A message from His Royal Highness the Governor General transmitting Supplementary Estimates for the year ending March 31, 1915, was presented by Mr. White (Minister of Finance), read by Mr. Speaker to the House, and referred to the Committee of Supply.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Department of Secretary of State—Salaries, $75,300.

Mr. PUGSLEY: There is an increase here. Is it due wholly to statutory increases?

Hon. LOUIS CODERRE (Secretary of State): The increase from $71,725 to $75,300 is made up of statutory increases and a net addition of three members to the staff. In the first division, subdivision B, there is one additional, at $2,100. This is for a clerkship in the new Naturalization Branch. There is one dropped in the second division, subdivision B, and two in the third division, subdivision A, and there are five additional in the third division, subdivision B.

Mr. PAPINEAU: The figures given by the Secretary of State relate to the inside service. I have a statement here of increases in the inside service, showing a net increase of over 29 per cent since the present Government came into power. These figures I believe to be correct, and they show that whereas in 1911 there were 3,195 employees in the inside service, this year there will be 4,177, an increase of 982. The increases are in all departments of Government excepting the Printing Bureau. The figures I have are as follows:

Inside Service.

Number of employees in the different departments at Ottawa, inside service in the year 1911, and under the present Government in 1915, as shown in the estimates for the years 1911-1912 and 1915-1916, respectively.

	1911.	1915.
Privy Council Office	20	26
Administration of Justice	54	69
Department of Militia and Defence	102	137
" Secretary of State	36	52
" Printing and Stationery	70	46
Department of the Interior	747	897
" Indian Affairs	77	86
Royal Northwest Mounted Police	11	11
Office of the Auditor General	83	94
Department of Finance and Treasury Board	92	99
Department of Customs	198	245
" Inland Revenue	71	93
" Agriculture	287	335
" Marine and Fisheries	152	143
Department of Naval Service	65	125
" Railways & Canals	27	110
" Public Works	271	396
" Mines	128	212
Post Office Department	510	763
Department of Trade and Commerce	44	84
Department of Labour	27	39
General Consulting Engineer to Dominion Government	2	2
Department of Insurance	16	20
" External Affairs	9	16
Office of the Conservation commission	13	26
Civil Service Commission	13	16
Department of Public Archives		35
Total	3,195	4,177

Increase under present Government, 982.

This accounts for the increase of $178,286.60 a year in the Estimates for the inside service. We can understand perfectly well that there are many more employees under the Government when we find that thirty-six additional buildings have been rented

since this Government came into power, and that they pay in rents no less than $178,000 a year more than their predecessors did. This is according to the figures furnished by the Minister of Public Works on the 15th and 22nd February last.

Mr. MARCIL: What is the total amount of the rents paid by the Government in the city of Ottawa?

Mr. PAPINEAU: The additional buildings rented by this Government represent an aggregate annual rental of $202,148.60; the leases expired represented rentals of a total of $23,880; leaving a balance, the net increase, of $178,268.60.

Mr. MARCIL: That is merely the increase ?

Mr. PAPINEAU: Yes.

Mr. MARCIL: The hon. member has not the total amount paid by the Government by way of salaries ?

Mr. PAPINEAU: No; this is the increase in the total number of employees. The increase in connection with the cost of caring for the departmental buildings, which was $63,000 in 1911, is now $175,000. The Minister of Finance told us the other day, when this question of increase of civil servants was discussed, in an attempt to justify this increase, that in 1913 he had the greatest surplus in the history of this country. I understand that this year we will have the largest deficit that we have had, and according to the statement made by the Minister of Finance in his Budget speech, next year we may expect a larger one. The increase in the expenditure, according to the figures given by the hon. junior member for Halifax in his speech on the Budget, is over $6,000 a day for salaries alone. Under these circumstances, I think that if it is not possible to decrease the number of civil servants who are employed in the inside service in Ottawa, this is certainly not the time to increase it. I think that if my hon. friend's department finds it necessary to add to its staff, it should obtain the necessary employees from other departments where their services may not be required.

Mr. MARCIL: How many employees are there in the inside service in my hon. friend's department ?

Mr. CODERRE: There were 49 last year; next year there will be 52. This increase of three is because of our establishing the new naturalization branch which was provided for by the legislation passed last year.

Mr. MARCIL: Have these appointments been made ?

Mr. CODERRE: No.

Mr. CARROLL: The minister has not given any explanation of the enormous increase in the number of the employees in the inside service, and the consequent enormous outlay of money.

Mr. CODERRE: I do not think that I should be expected to give an explanation with respect to the increase in the other departments. The increase in the Department of the Secretary of State has not, I believe, been very large. We have had but few increases during the last three years. One of the reasons for the increase is that we have had to cope with a very large number of charters of incorporated companies; I am told that the number is much larger than it was during the preceding year. I am informed also by the officers of the department that the number of returns which it has been necessary to prepare has exceeded that of previous years, and we have consequently had to add a few employees to the staff. Of course, in some of the other departments coming under the administration of the Secretary of State, increases have taken place; I can give the reasons for these increases when the Estimates for the departments concerned are brought before the committee.

Department of the Secretary of State—contingencies, $16,000.

Mr. CARROLL: What is the reason for the increase of $5,000?

Mr. CODERRE: This increase is rendered necessary by a general increase in the ordinary work of the department.

Mr. PUGSLEY: It does seem to me that the hon. Secretary of State is not giving a fair and satisfactory reason for the increase for the coming year. These are times of declining revenue, and certainly at this period the minister should endeavour to reduce rather than increase the expenditure. As one hon. gentleman has said, there must be a large number of employees in other departments whose services are not required, and they could very well be transferred to the Department of the Secretary of State if additional help is required in that department. It cannot be true that with the collection of $30,000,000 or $40,000,000 less

than has been collected during the past two years, the same number of employees are required in the Customs Department. When we complain of the increased expenditure in these departments, and suggest that there should be a reduction, the answer is given that it would not be fair to the civil servants to dispense with their services. But why should they not be transferred? The work is largely clerical; in many cases it is the work of stenographers or clerks. If the Secretary of State wants additional help, why does he not go to the Minister of Customs and say: I want two or three clerks transferred to my department during the coming year; you do not require them, because you are collecting $30,000,000 or $40,000,000 less revenue than you collected in previous years. Is there any reason why that should not be done?

Mr. CODERRE: Even if they were transferred, I would have to pay them out of my own vote.

Mr. PUGSLEY: But the treasury would not have to pay the additional amount. We are asked by the different departments to go on voting these increases. It may be said that $3,000, or $4,000, or $5,000, in one department does not amount to very much, but when you take all the departments the aggregate is a large amount and we find that instead of any effort being made to reduce in some other department, increases are made in different departments, notwithstanding the depression and the declining revenue and the fact that there must be much less necessity for all of these employees than there would be under normal conditions.

Mr. CODERRE: So far as my department is concerned the increase is not very large, and I have given the explanation. We were obliged to employ additional civil servants owing to the added duties developing upon the department. Since the judgment rendered by the Privy Council on the question of incorporation of companies, the companies formerly incorporated under provincial laws believe that they are obliged to come to Ottawa and be incorporated anew under Dominion laws. It involves additional work and additional expense on the department and we have provided for that new expenditure by an additional sum of $5,000 in contingencies. Generally we ask for new employees, when required, through the Civil Service Commission, according to the law. Whether we obtained these employees from the Customs or any other department or from outside the service we would have to pay them just the same. The only question we have to consider in this committee is whether this department is in need of them.

Mr. PUGSLEY: Would the minister explain the usefulness of this vote?

Contribution towards publication of International Catalogue of Scientific Literature, $500.

Mr. CODERRE: This catalogue is prepared by an international scientific society which publishes an index of scientific works and this is our share of the expenses. Copies of the index are distributed to the different countries contributing towards its publication and our copies are distributed among the universities in Canada.

Mr. PUGSLEY: What is the total amount contributed by the different nations?

Mr. CODERRE: I could not give the total but I know that our contribution is a very small part of the whole amount. We receive nine copies of the publication.

Mr. PUGSLEY: It seems then that we are paying $500 a year and receive nine copies of the catalogue in Canada. I think the minister should allow the item to stand until he secures some information as to the whereabouts of the society and the proportion of our contribution to the total cost of the catalogue.

Mr. CODERRE: It is published in Brussels. I am willing to allow it to stand. I may say that this item has never been questioned before.

Mr. MARCIL: Is it published in only one language?

Mr. CODERRE: The works are catalogued in the language in which they are published.

Mr. PUGSLEY: Is the minister satisfied that this is a useful expenditure? If he is I have nothing further to say.

Mr. CODERRE: Yes, I am.

Mr. PUGSLEY: You take it on trust?

Expenses under the Canada Temperance Act, $2,000.

Mr. PROULX: Have there been any applications this year by any counties in Canada to have referendums under this Act?

Mr. CODERRE: Yes, many.

Mr. MARCIL: This year?

Mr. CODERRE: Yes.

Mr. MARCIL: How many?

Mr. CODERRE: There are three pending: one in Brome, one in Perth, and one in Nova Scotia, in Kings county, I believe.

Mr. PROULX: Is this to adopt or revoke the Act?

Mr. CODERRE: This is for a referendum to the electors under the Canada Temperance Act. If the electors vote for it, the Act will be forcibly applied there. There is a decrease of $18,000 between this and last year's vote. The reason why we had to have $18,000 more last year is that we had to get out lists of the New Ontario constituencies, and of course that will not be necessary this year.

To provide for purchase of 600 copies of the Parliamentary Guide, $1,200.

Mr. MARCIL: This is to provide for a new edition of the Parliamentary Guide?

Mr. CODERRE: Yes.

Reverend D. R. McDonald, allowance for appropriation of patent ballot, $3,000.

Mr. CODERRE: This item has to be further considered by the ministers in council, and I would ask that it stand.

Mr. PUGSLEY: I was going to suggest that it should be looked into carefully. I see this is to pay for the patent ballot acquired by the Government some fifteen or more years ago. There is a controversy whether Mr. McDonald really invented the patent or not. I believe that in 1907 he brought a suit in the Exchequer Court against the Government, but it was dismissed. I think the minister should look into it carefully before asking for this vote.

Mr. CARROLL: I notice in the Canada Gazette of March 13 1915, a notice that ninety positions are to be filled during the period from the 1st July to the 31st December, 1915. Are these new positions or vacancies caused by deaths and dismissals?

Mr. CODERRE: In what department?

Mr. CARROLL: It does not say. It says:

The examinations will have reference to the following permanent positions in the inside division of the Civil Service of Canada, which require to be filled during the period from the 1st July to the 31st December, 1915:

Thirty clerkships (for men) in subdivision B of the third division.

Two positions as stenographers and typists (for men) in subdivision B of the third division.

Eight clerkships (for women) in subdivision B of the third division.

Twenty positions as stenographers and typists (for women) in subdivision B of the third division.

Thirty clerkships (for men) in subdivision B of the second division.

Mr. CODERRE: None of these concern the Department of the Secretary of State.

Legislation—General—printing, printing paper and binding, $300,000.

Mr. MARCIL: Would the minister give a general explanation of the work of the Printing Bureau, whether there has been an increase or a decrease in the output, whether the facilities have been improved, and such like?

Mr. CODERRE: There is an increase in the salaries paid.

Mr. MARCIL: Why?

Mr. CODERRE: There is more work to do than there was a few years ago, and we have had to employ more men. These employees are in the outside service.

Mr. MARCIL: Are these employees in Ottawa, and what class of employees are they?

Mr. CODERRE: Yes, they are in Ottawa. They are mechanics mostly.

Mr. MARCIL: Do printers rank as outside service employees?

Mr. CODERRE: Yes.

Mr. MARCIL: Is there an increase in the total number of employees over last year?

Mr. CODERRE: Yes, an increase of about 110 to 120.

Mr. MARCIL: How many people are employed in the Printing Bureau?

Mr. CODERRE: About 1,100.

Mr. MARCIL: How does that compare with four years ago?

Mr. CODERRE: It is an increase of about 300.

Mr. MARCIL: What is the explanation of that increase?

Mr. CODERRE: The output of the Printing Bureau is much greater, and consequently we have had to increase the number of employees. We have been obliged to lease two other buildings.

12 noon.

Mr. MARCIL: Where are they situated?

Mr. CODERRE: One at the corner of Murray and Dalhousie street and the other on Sussex street.

Mr. MARCIL: Are these new or old buildings?

Mr. CODERRE: One is the old naval building.

Mr. MARCIL: What is the other?

Mr. CODERRE: The other is a very good building rented from a man named Labelle. The stationery branch is there and that is where the stock is kept.

Mr. MARCIL: Is all the printing done at the Government Printing Bureau now?

Mr. CODERRE: No.

Mr. MARCIL: What was the total amount of work done in the printing bureau and outside the bureau?

Mr. CODERRE: The total expenditure for printing in 1912 was $1,105,000; 1913, $1,274,000, and 1914, $1,597,000.

Mr. MARCIL: What was the cause of this large increase last year as compared with the year before and the year before that?

Mr. CODERRE: We work under requisitions coming from other departments and in some cases these have been very large.

Mr. MARCIL: How much of this work was done inside the printing bureau and how much outside?

Mr. CODERRE: There was paid for work done outside of the bureau last year $412,000.

Mr. PUGSLEY: That is more than 25 per cent of the total.

Mr. CODERRE: Yes, and that is why we asked the House last year for an appropriation for the erection of a new building. We have not the necessary accommodation to do all the work at the printing bureau. I have asked again this year for the same appropriation but on account of the stringency it has not been possible to get it. So long as the new buildings are not erected it will be necessary to go outside for some part of the work. It is impossible to do the lithographic work at the bureau. We have not the plant because we have not accommodation.

Mr. MARCIL: If the minister is so limited in his accommodation how does he explain the large increase in the number of employees? Where does he find room to put them all?

[Mr. C. Marcil.]

Mr. CODERRE: I have two new buildings. The number of employees has increased but it will be seen from the figures which I have given that the output has also considerably increased.

Mr. PUGSLEY: Is that so? While the total amount of the printing done has increased, the amount done outside is enormously large, over $400,000. Could the minister give us the figures for the work actually done in the printing bureau during the last three years so that we may see how one compares with the other?

Mr. CODERRE: The total increase of printing work outside and inside is about $300,000, and the increase in the amount paid for work done outside is about $100,000. The inside output is larger than it was before, there being an increase of about $250,000 a year.

Mr. PUGSLEY: Does the minister think that this inside increase requires the addition of 300 employees?

Mr. CODERRE: These 300 employees have been brought in during different years.

Mr. PUGSLEY: Only as political necessities?

Mr. CODERRE: No; we have brought them in during the last three years. With the increase in the number of employees there has been a large increase in the output of the printing bureau.

Mr. MARCIL: Are these employees kept on during the whole year or are they laid off at certain seasons of the year?

Mr. CODERRE: I have not yet been able to put them out.

Mr. MARCIL: The minister has a heavy job before him.

Mr. CODERRE: Yes, it is not because I should do it, but it is because we need them all the year round. During the session, when night work is done, we are obliged to take on a few men temporarily. Of course, when the session is over, they have to go. These are the only exceptions.

Mr. MARCIL: Is the permanent staff kept on all the year round?

Mr. CODERRE: The staff is kept at about the same number, because the number taken on temporarily during the session is very small. The work executed by the bureau in 1913-14 amounted to $1,184,185.86, and in 1912-13 to $974,622, so that there was an increase of more than $200,000 for

the last year. In 1913-14 the work done outside amounted to $412,000, and in 1912-13 to $300,000. In that case there was an increase of $112,000.

Mr. MARCIL: Are the employees taken from all parts of Canada?

Mr. CODERRE: Yes. They do not come under the Act of 1908. We do not have to go to the Civil Service Commission for certificates. They are recommended by those who know them and by the King's Printer. If they prove to be good, they remain in the Bureau. If they are not able to do the work, they have to leave.

Mr. MARCIL: Are they mostly printers and binders?

Mr. CODERRE: Printers, binders, packers, type-setters, operators on linotype and monotype machines.

Mr. MARCIL: Is the political line very closely followed? Is it possible for a Grit, man or woman, to get into the Printing Bureau? Is it an open shop, so to speak?

Mr. CODERRE: I believe that the Conservatives are more numerous than they were; but even to-day there is a large number of old hands and new hands belonging to the party of my hon. friend the member for Bonaventure (Mr. Marcil).

Mr. MARCIL: I do not think there is a single man or woman from Bonaventure in the Printing Bureau. I am glad to say that the Bonaventure people have healthier work to perform than to be shut up in the Printing Bureau. Is it not a rule of the establishment that no man or woman can get in there unless he is recommended by a member of this House?

Mr. CODERRE: There is no such rule whatever. It is only natural, however, that such should be the case. With one exception, I have never received any recommendations from members on the other side, but I have received recommendations from members on this side.

Mr. MARCIL: What happened to that recommendation?

Mr. CODERRE: The hon. member for Three Rivers (Mr. Bureau) gave a very strong recommendation, and his protégé is in the Printing Bureau.

Mr. MARCIL: He was successful?

Mr. CODERRE: Yes. That is the only such case with which I have had to deal.

Mr. MARCIL: Is the Printing Bureau still an open shop or is it a closed corporation so far as trades unions are concerned?

Mr. CODERRE: An open shop. We are obliged to a certain extent to pay the prices established by the unions outside.

Mr. MARCIL: Do the rates compare with the Montreal, Winnipeg and Toronto rates?

Mr. CODERRE: The rates paid in the Printing Bureau are based upon the rates paid in Montreal and Toronto.

Mr. MARCIL: Are they higher in Montreal than in Toronto?

Mr. CODERRE: The higher rates are paid.

Mr. MARCIL: Does the minister expect this year to be able to improve the situation in the bureau by moving to other premises or by enlarging or making a change of any kind, or does he intend during the war to remain where he is now?

Mr. CODERRE: I have already claimed that it is impossible to get the necessary appropriation for a new building.

Mr. MARCIL: Is there an item in the Estimates for that purpose?

Mr. CODERRE: Not this year.

Mr. MARCIL: Was there any last year?

Mr. CODERRE: No.

Mr. MARCIL: Then the Government has not decided on anything yet regarding a new printing bureau?

Mr. CODERRE: The principle was decided upon when we came in. I remember having seen a memorandum from the then Minister to the Council; but last year it was not possible for the same reason that it is impossible this year, that is, on account of stringency.

Mr. MARCIL: Has a site been selected for a new bureau?

Mr. CODERRE: No.

Mr. MARCIL: Then the question is still an open one?

Mr. CODERRE: Yes.

Mr. McKENZIE: Some years ago—I forget whether it was before the change of Government or not—there was a good deal of talk about the small pay given particularly to women employed in the printing bureau. The figures given then, in my opinion, were so small that no person would live on them. What is the

average wage paid to women who work in the Printing Bureau?

Mr. CODERRE: Two years ago the wages paid to the women were increased; of course, not very much. The women had been receiving 75 cents per day for the last 25 years. Two years ago that amount was increased by 25 cents per day. There is another increase. Formerly young girls were paid $3 a week to begin with. We thought that was not enough, and we have been giving them since last year $4 a week as initial salary.

Mr. McKENZIE: Is not the wage in either case far to small? I cannot conceive of any person, man or woman, being able to live on less than $6 a week in a city like Ottawa. It would be better not to employ those girls at all, than to pay them $3 or $4 a week.

Mr. CODERRE: Some are receiving $8 a week.

Mr. McKENZIE: I do not think girls can live in anything like respectability and comfort upon $5 or $6 a week if they have to pay for their room and board. What are they to live upon? What is to encourage them in honesty and industry? This is a great country of ours; and when we employ young women and girls to do work for us, we should be willing to pay them respectable wages which will enable them to live comfortably and encourage them to do good work and to live moral and good Christian lives. The minister should do one of two things; either not employ those women or girls at all and let them educate themselves to do something outside of Government work, or insist on good quality of labour and pay them well for it.

Legislation—Contingent expenses in connection with the voters' lists, $8,000.

Mr. CARROLL: The minister in the past has been supplying members with voters' lists. I suppose the same rule will apply in future.

Mr. CODERRE: We have $8,000 for printing these electoral lists.

Mr. MARCIL: Work for the general election has not commenced?

Mr. CODERRE: There is always work going on in connection with the lists. This $8,000 is for printing lists for by-elections. In some cases members want electoral lists of their counties, and on addressing the Clerk of the Crown in Chancery type-written lists are furnished them. As to the printing of the whole lists in the case of a general election, that is provided for by law, and it is not necessary to have a sum in the Estimates for it.

Legislation—Provincial voters' list, $11,000.

Mr. PROULX: What is that?

Mr. CODERRE: That comes under the control of the Clerk of the Crown in Chancery. We have to gather all the provincial lists, as the federal list is based on these lists. The Clerk of the Crown in Chancery receives these lists and pays for them. For instance, in Quebec, so far as the rural part of the province is concerned, the list is prepared every year in September, and we receive these lists.

Mr. PUGSLEY: And you pay the local authorities?

Mr. CODERRE: Yes.

Mr. CARROLL: The lists received by the county clerk in Nova Scotia from the revisors are very often in need of revision, not for the addition of names, but for the correction of clerical errors and so on. I understand that in my own constituency of South Cape Breton, Mr. D. M. Curry, county clerk, received remuneration for this work of revision, which involves extra labour on his part and the employment of more clerical assistants in his office. But for the last two years or more the Clerk of the Crown in Chancery has refused to pay for this extra work. I would like the minister to look into it.

Mr. CODERRE: This is the first time the matter has been brought to my attention. According to the law, these lists are paid for on the basis of the number of names. The hon. member spoke of corrections, but corrections are supposed to be made by the local authorities. I am under the impression that under the law the Clerk of the Crown in Chancery pays for lists only on that basis of the number of names, and that the lists supplied are supposed to be properly revised. If the hon. gentleman tells me that some other practice has been followed in the past, I am willing to see the Clerk of the Crown in Chancery about the matter.

Mr. SPEAKER: Having had something to do with this matter I may say that the lists are paid for at so much per hundred names, and the Clerk of the Peace is bound to under the law to send in the lists re-

vised. The names are counted in the office of the Clerk of the Crown in Chancery and the lists are paid for as the statute provides.

Mr. CODERRE: I will attend to that and will see the hon. member about it.

Miscellaneous—plant, new, $50,000.

Mr. OLIVER: What is this new plant?

Mr. CODERRE: Printing presses, linotype and monotype machines, ruling machines—printing and book-binding plant generally.

Mr. OLIVER: What kind of presses does the Government buy?

Mr. CODERRE: Meihle presses

Mr. PUGSLEY: How much of this appropriation for last year was spent?

Mr. CODERRE: The whole amount.

Miscellaneous—miscellaneous printing $100.-000.

Mr. OLIVER: What is this miscellaneous printing?

Mr. CODERRE: We have to print the reports of the various departments. 500 of these reports are supplied to the department concerned, but in some cases, under Order in Council passed for that purpose, this number is increased sometimes to 2,000 or 3,000 copies. Last year the Department of the Interior, by Order in Council, obtained 7,000 copies.

Mr. OLIVER: Does this expenditure cover the ordinary printing to which the hon. gentleman has referred, or does it cover other printing?

Mr. CODERRE: About nine-tenths of the amount is expended in the printing of departmental reports. The remainder is for special printing.

Mr. OLIVER: Does this vote cover the general printing of the department, or is it supplementary to another vote? If so, what is meant by miscellaneous printing?

Mr. MARCIL: Why do you have this amount separate from the other big vote which we have just passed?

Mr. CODERRE: This is a special vote for the general and special reports which I have mentioned.

Mr. MARCIL: They are printed by the Printing Bureau?

Mr. CODERRE: It is for the printing of Departmental reports, either inside or outside the Bureau.

Mr. OLIVER: Do I understand that the printing done outside the Bureau is paid for out of this vote?

Mr. CODERRE: If a report is printed outside, the outsider is paid out of this vote, because, as I have said, this vote covers expenditure for the printing of the reports of departments, general or special.

Mr. MARCIL: Whether the work is done at the Bureau or not?

Mr. CODERRE: Whether the work is done inside or outside the Bureau. I may say that a memorandum respecting the printing of reports has been made by the King's Printer and will be published in the next annual report of the Printing Bureau, which will be ready next week. According to the report of the King's Printer, some departments are receiving too many reports, many of which are lost. The hon. Speaker of the House has given much attention to this matter, as a member of the Printing Committee of the House.

Mr. OLIVER: Does this $100,000 pay the cost of all the printing that is done by the Government outside the Printing Bureau?

Mr. CODERRE: No. This is a special appropriation for reports printed either inside or outside the Printing Bureau. For other printing done in the Bureau, we have a special vote which we call the Auditor General's account. This has already been voted.

Mr. PUGSLEY: I think it would be very valuable information if the minister at some convenient time would lay on the table of the House a statement of the cost of printing for the different departments, of what that printing consists, and the appropriations made for the different items. I was under the impression that the vote for the King's Printer or the Printing Bureau covered all printing, but I find that we are asked to vote under the appropriation for Militia and Defence some $70,000 for printing for the Militia Department. That, I suppose, would be in addition to the vote which the minister has asked for; there may be also other items. I think these items should all be grouped under one heading and the appropriations asked for by the Secretary of State. I am of opinion that a vast sum of money is wasted each year in public printing. Large numbers of reports are sent out; many of them are never read. They may make useful additions to libraries and places where they may

be referred to, but many of them are wasted and thrown away, and many of them are duplicated. Take the Auditor General's Report and the Public Works report each contains many pages of information which are duplicated in the other. I think that a sub-committee of the Government ought to take up the subject and see whether there could be a very considerable reduction in the cost of printing.

Mr. SPEAKER: I have given considerable attention to this subject during the present session because of information that was brought to me from time to time that a great deal of this printed matter which was distributed to members was never used by them. Many of them said that individually they did not want the reports and would not use them, ordering them to be taken from their rooms. I then requested the man in the Distribution Office to go to the members individually and procure a written order from each one stating whether he wanted the reports, and if he wanted them whether he would prefer to have them delivered to him here or at his home. In that way we would know what each member wanted and be able to reach a conclusion. But from the information brought to me I am quite convinced that there is an extravagant waste of money in the printing of reports and blue-books. In the first place, there is distribution of more reports to the members than they ever use; in the next place, these reports are duplicated, issued first in blue-book form and then in the sessional paper form and sometimes in some other form. I tried to procure data to place before the Joint Committee on Printing this year in regard to this useless waste of money, but was unable to get all the data I required until late last week, when it was of course too late for the Joint Committee on Printing to go over the data carefully and make an intelligent report to this House. Therefore I was obliged to leave it over. I have now all the necessary data for the consideration of the committee. As the minister has said, the usual number of reports apportioned to a department is 500; but I find that some departments through one request and another, make that up to 3,000 or 4,000. Then through extra orders of this House the distribution to members is sometimes thousands and thousands of copies which are left lying on the hands of the Printing Bureau or of this House and are never used. There are thousands of copies right in this House; they could be taken away in wagon loads; no one wants them, and yet they have been printed by an order of this House. It did seem to me that it should be possible to devise some more economical way of printing and to bring about a reduction in the number of reports printed and distributed to members, many of whom do not want them. I have all the data to be used in future by the committee, and hope to be able to leave it in their possession, so that whenever they come to consider the question with a view to effecting a saving in printing they will have some material on which to work.

Mr. MARCIL: I think the House will be thankful to His Honour the Speaker for the trouble he has gone to. He has tackled a long standing grievance that has been a source of expense, annoyance and worry. But if the English-speaking members of this House have reason to complain about the Government literature and printing, what about the poor French member, who gets a double supply? What about his wife at home who receives daily this parcel of blue-books? A member who is in Parliament long enough has either to build an annex to his house to contain all these blue-books, or burn them as they come in. Has Mr. Speaker given any attention to the printing of blue-books in the French language within a reasonable time? Those of us who have mixed communities find a very great difficulty in this respect. In my own constituency about one-third of the people are English and two-thirds French. Recently I was asked by two electors for the report of the Auditor General. I sent one copy of the report in English for 1914, three volumes complete. Of the French version I could send only the first volume of the report for 1913, as the other two volumes for 1913 had not yet been printed. If we are going to issue these official publications in both languages they should be printed within a reasonable time in order to be of any use. Otherwise these French books which come to us a year or two after the date on which they are issued are simply a pure waste of money. When the report of a department reaches the Printing Bureau do they wait until the English edition is printed and bound before starting to print the French edition?

Mr. CODERRE: That is the whole trouble. I believe that the hon. member is completely in the right when he says it is purely and simply a waste of money if the French publications are not printed and issued within a reasonable time.

Mr. MARCIL: They should be issued at least in the same year. I am willing to allow a few months to some of the departments.

Mr. CODERRE: There has been a great improvement in that respect since I took office. The hon. gentleman speaks of the Auditor General's Report. He says that he has received three volumes of the English report for 1914 but only one volume of the French report for 1913, a year old. The other two volumes are just being printed now. By a new arrangement the French version of the Auditor General's Report for 1914 is now being printed, practically at the same time as the English version is printed. I believe that before five months from to-day the French version of the Auditor General's Report for 1914 will be issued.

Mr. MARCIL: If the minister can bring about a reform in that way he is entitled to a great deal of credit, but he has a heavy task before him. I offer my condolences to him beforehand because he will find some of the departments difficult to handle. My idea was that the translation should be made from the manuscript before it is printed. In some cases the translators explained that they had to wait until the bound volume of the English version was issued before starting translation. The objection to translating from the manuscript was that a great many corrections were made on the proofs, after their return to the departments, and this would naturally increase the difficulties.. I know there are difficulties in the way and if the minister can do anything that will secure publication in French within a reasonable time he will be doing a great service to the country.

Mr. OLIVER: The trouble seems to be much more far reaching than has been suggested. I believe the Printing Bureau was established for the purpose of promoting economy and efficiency in the public printing. Before the establishment of the Printing Bureau the printing was all done by private firms under contract and it was said, I believe, to lead to considerable abuse in the matter of patronage. It was hoped that when the Printing Bureau was established this abuse of party patronage and the distribution of printing for the sake of spending money with friends would be done away with, and that the Printing Bureau would give efficiency and economy in the furnishing of the public printing. I have tried to get the facts in connection with the estimate that I have drawn attention to, but the facts that have been brought out in this discussion show—and it is within the knowledge of every one—that the condition that prevailed before there was a printing bureau at all exists to-day almost to as great an extent as then. So far from the Printing Bureau doing the whole of the Government printing, and thereby promoting efficiency and economy, and cutting out party patronage and expenditure for the sake of patronage, the Printing Bureau is so loaded up with duplicate printing that it is not able to print efficiently or in due time. This is a matter that I think should claim the attention of the Government and of the House. We have a printing bureau for a certain purpose, and that is, to promote efficiency and economy; and we should conduct that bureau so that economy and efficiency would be promoted, and so that we should not be under the necessity of farming out a large proportion of the public printing as a matter of party patronage. For my part, as a printer, I would be perfectly satisfied to see the bureau abolished and the work done under contract by private firms. That might not be the best way; it might not suit the public generally. But I say the work should be done either one way or the other. Either the Printing Bureau should be so organized and so conducted that it would do practically the whole Government printing, or we should cut out this enormous expenditure on the Printing Bureau and get our printing done by contract, just as the ordinary business house does. We have a double disadvantage at the present time.

At one o'clock, the committee took recess.

The committee resumed at three o'clock.

Mr. CODERRE: Mr. Chairman, I beg to move that resolution 322:

Reverened D. R. McDonald, allowance for appropriation of patent ballot, $3,000.

be struck out. This is the item that was mentioned this morning. It provides for the payment of $3,000 to the Rev. Mr. McDonald on a claim against the Government for $5,000, his claim being based on his invention of a ballot paper. This item was put in the Estimates on condition that the Commissioner of Patents would give Mr. McDonald a certificate, which he has not done. We were told that the Commissioner of Patents would give him an award of $3,000 for his invention of the ballot now

in use for Dominion purposes. This condition has not been fulfilled, so that we do not believe we should pay the money.

Motion agreed to.

Mr. CODERRE: We will now take up the Department of Mines.

Mr. MARCIL: Before the minister proceeds to the Department of Mines, I should like to ask him a question concerning naturalization papers. I understand that a certain application was made to his department for blank forms in French and that the reply was that there were no blanks printed in French.

Mr. CODERRE: The naturalization certificate was translated into French about three weeks ago and it will be printed soon. We have to give a temporary certificate in English or French because the real and final certificate has not yet been printed. The form of certificate has been drawn up according to the regulations passed by Order in Council. That form was adopted in English and it has been translated into French. Those who want the certificate form in French may have it but it will only be a temporary certificate.

Mr. MARCIL: Whatever form you have will be printed in both languages, I suppose?

Mr. CODERRE: Yes.

Mr. MACDONALD: Do I understand that any person who was a resident of Canada on the 1st January last is still entitled to get a certificate of naturalization as a Canadian citizen? I understand the point was raised in a court of my own province when the judge decided that the effect of the law was that any person who was resident in the country on the 1st January could still get a certificate of naturalization as a Canadian citizen by proving qualifications under the old law.

Mr. CODERRE: This question has been submitted to the Department of Justice. I do not remember the conclusion arrived at by the department but it has been decided that, whatever appears to be the law on that point, these certificates may not be given during the war.

Mr. MACDONALD: Would the minister be good enough to get the opinion of the Department of Justice and lay it on the table because it is a matter of importance throughout the country that we should know what view they take upon the subject.

[Mr. Coderre.]

Mr. CODERRE: I will do that.

Mr. MARCIL: What is the procedure that must be followed by a Canadian who has become an American citizen and who now wishes to return to his original nationality?

Mr. CODERRE: I do not know that the the law passed last year has changed that.

Mr. MACDONALD: Yes, it has.

Mr. CODERRE: Well, I could not give a statement as to those conditions.

Mr. MACDONALD: The answer which my hon. friend the minister will get when he receives the opinion of the Department of Justice will be the answer which my hon. friend from Bonaventure (Mr. Marcil) wants, because the law provides that a person who had given up his allegiance here and had gone abroad could become naturalized again in Canada after a residence of three months, on taking the necessary oath.

Mr. MARCIL: Before the court in the district in which he resides?

Mr. MACDONALD: Before the court in the district in which he resides. The question I put to the minister as to the rights of parties under the old law, and the opinion entertained by the Department of Justice as to those people, would settle the question in my hon. friend's case as well as my own. It has been held, I know, that those who may be resident in Canada on the 1st of January, under a section which came into the Bill after it had passed in this House or which was put in hurriedly at the end, was sufficient to cover residents on the 1st of January of this year.

Mr. CODERRE: When I answered the hon. member a few moments ago I understood his question had reference only to aliens who desired to become British subjects. The question which my hon. friend from Bonaventure asked does not apply to the same class of foreigners. In the case mentioned by my hon. friend from Pictou, this question has been brought by the Department of Justice to the attention of the Home Government, and it has been decided that, whatever may be the law on that point, aliens coming from foreign countries—not persons who have been British subjects and who wish to return to their allegiance—cannot receive certificates of naturalization during the war. I will bring down all the information I have received from the Minister of Justice.

Mr. MARCIL: In view of the changes which have been made in the naturalization law, would it not be possible for the minister to issue a circular giving instructions as to what may be done to enable repatriated Canadians to become British subjects? The hon. Minister of the Interior (Mr. Roche) told us last night that the movement for repatriation was still going on in the United States, and that a large number of former Canadians were returning to Canada. Some of these people had become American citizens, and they now want to become British subjects again. Some doubt has arisen as to the naturalization of these persons, and perhaps my hon. friend would take the suggestion in good part that a copy of the certificate might be sent to members of Parliament and others, in view of the approach of a general election. Questions arise as to whether a man has been an American citizen or not, and as to what procedure is necessary in order that he may become a British subject again. In the case that I mentioned, the man was getting ready to vote at the next election, and he wanted to become a fit and proper subject for exercising the franchise. If there has been any change in the Naturalization Act, it will be well to get out circulars and send them to the members of this House and other parties interested so that they may know exactly how the law stands at present.

Mr. CODERRE: We will do that.

Civil Government—Department of Mines; salaries, $358,775.

Mr. NESBITT: Why the increase in salaries?

Mr. CODERRE: There is an increase of six in the number of permanent employees proposed to be employed in 1915-16. The net increase in the amount of salaries over the sum voted for 1914-15 is $12,800, made up as follows: one in second division, subdivision A. This man is already in the employ of the department temporarily. The change has been made according to the custom which has been followed in the Department of Mines for many years. Before making an employee permanent, the department employs a man temporarily so as to give him an opportunity to make good. In this case the man has proved to be competent, and we want him now to be made permanent. He is to hold the position of water analyst at a salary of $1,600. There is a new appointment in third division, subdivision B, a stenographer at $500. We require that stenographer. In the Geological Survey branch there is an appointment in the second division, subdivision A, of a junior geologist at $1,600. According to the system followed during the past few years, men selected from the different universities are tried out as temporary employees in the field before being taken on permanently. Three men are now available for employment, and we want one of those three to be made permanent. There is an appointment in the second division, subdivision C, at $1,200. This is required to replace Dr. J. A. Robert, transferred to the well-boring section, Geological division. We want two additional stenographers to replace temporary stenographers in the department. They require special training; and when they prove their ability to do the work, they ought to be appointed permanently. Those are all the new appointments in the Mines branch. We ask for the following promotions in the Mines branch: two from second division, subdivision A, to first division, subdivision B, namely, Mr. H. S. DeSchmid and Mr. E. Stansfield. Mr. Stansfield is engineering chemist at the fuel-testing station, and he is giving eminent satisfaction. He is a thoroughly well-trained man, fitted to engage in original investigation, and his promotion is strongly urged. Mr. DeSchmid is assistant mining engineer in the ore-dressing and metallurgical division. He has compiled a monograph on mica, and he is now working on the felspar and phosphate deposits of Canada. He has had a good training, and is doing very useful work.

Mr. NESBITT: That is not exactly what I wanted to get at. Has the Mines branch more work to do than it had last year? If not, what is the reason for increasing the staff?

Mr. CODERRE: Although it appears that there is more than one increase, there is really but one. Let us take, for instance, the water analyst. He has been employed temporarily for a couple of years, and has never been made permanent. We now think he has proved to be competent and is entitled to a permanent position, and we ask for the necessary money. The same can be said in the case of the junior geologist, although it appears in the Estimates brought down that this is a new appointment. That man has been in the department as temporary employee for seven years. In that way, there is but one increase on the staff, according to the

Estimates brought down, with the exception of the two stenographers we require.

Mr. NESBITT: According to page 25 of the Estimates, there were 206 employees in 1914-15, and there will be 212 in 1915-16. That will be 6 of an increase. There is also an increase of $12,800 in salaries. One man would not receive $12,800.

Mr. CODERRE: The hon. member must remember that there are the statutory increases in all those cases. The total increase is $12,800, and the statutory increases amount to $12,212.50. We have no control over the statutory increases.

Mr. NESBITT: We must be getting the six new men for practically nothing, because there is only a small difference between the total increase and the statutory increases.

Mr. CODERRE: Some men have been replaced by men who are paid less. Although it appears that six appointments have been made, in reality there has been but one new appointment, all the other officials having been temporarily employed for some time.

Mr. MARCIL: Who is the new water analyst?

Mr. CODERRE: R. T. Elworthy, who has been temporarily employed since May 14, 1914. He is now employed in an investigation of the mineral waters of Canada in a temporary capacity. This is important work, and will be of long duration. As Mr. Elworthy has proved himself a capable officer, it is proposed to make his appointment a permanent one.

Mr. MARCIL: I do not think there is any country in the world that has so much bad drinking water as Canada has. The water we drink here would not be given to cattle in Europe. Does the department provide any supervision of the drinking water which is consumed in large cities, such as Montreal, Toronto and Ottawa?

Mr. CODERRE: No.

Mr. MARCIL: Some of the rivers from which drinking water is obtained in this country are half in the United States and half in Canada; some are half in one province and half in another. The water which we drink here during the session of Parliament is not fit to drink. Half the Ottawa river is in Ontario, and the other half in Quebec, and I am told that while people are sick in Ottawa they are healthy in Hull. Should not the Dominion officials exercise some control over this matter?

Mr. CODERRE: We have not that power; in order to obtain it, provision would have to be made to that effect.

Mr. MARCIL: On what principle is the examination of mineral waters carried out?

Mr. CODERRE: The jurisdiction of the Department of Mines extends to mineral waters; mines and mineral waters have a certain corelation; and on account of that corelation the investigation of mineral waters comes under the control of that department.

Mr. MARCIL: Are these mineral waters to be found in all provinces of Canada?

Mr. CODERRE: In all provinces, yes.

Mr. CARROLL: Who was appointed as mining engineer in the fuel testing division?

Mr. CODERRE: Mr. Edmund G. Malloch, salary $1,600.

Mr. CARROLL: Has he all the knowledge required of a person who holds such a position?

Mr. CODERRE: Yes, he was appointed upon the certificate of the Civil Service Commission.

Mr. CARROLL: I suppose it is the Civil Service Commission that advertises in the Canada Gazette with regard to applications for positions?

Mr. CODERRE: The Civil Service Commission advertises upon request being made by the department for a certain number of employees.

Mr. CARROLL: The advertisement in this case struck me as being very peculiar. It runs this way:

> Candidates must be graduates in mining engineering of a recognized university, and must possess the following qualifications: a general knowledge of geology, chemistry, and of the mining industries of Canada; particular aptitude for technical statistical work, including accuracy, neatness, and the possession of keen powers of observation and deduction, the ability to prepare clearly and logically written reports; a general knowledge of draughting; a working knowledge of the French language; a pleasing personality.

I find no fault with the minister in this respect, but I do not see why it is required that the holder of this position should have a pleasing personality, provided he is in other respects a capable man, possessing full technical requirements.

Mr. CODERRE: This advertisement was drafted by Dr. Haanel, Director of the Mines Branch. A pleasing personality is really of importance in this position. The mining engineer in the fuel testing division has to meet all the engineers and mining people in the country, and it is better that he should be agreeable and pleasant. Dr. Haanel has had some experience in these matters and I presume that he thought that this was a necessary qualification.

Mr. CARROLL: Does the minister not think that $1,600 a year is a small salary for a man possessing those qualifications?

Mr. CODERRE: They start at $1,600, but as soon as they prove competent they pass to subdivision 2 A.

Mr. MARCIL: Are mining operations in Canada in a satisfactory condition at the present time? What progress has been made during the last year or two?

Mr. CODERRE: The production generally is not as large as it has been during other years. There are reasons for that decrease, one being the war.

Mr. MARCIL: What was the progress before the war? Was there any increase?

Mr. CODERRE: The increases were in coal and copper. There was some decrease in gold.

Mr. MARCIL: How about nickel?

Mr. CODERRE: I could not give exact figures, but nickel also has increased.

Mr. CARROLL: A Bill was passed last year with reference to explosives in mines. Were any appointments made under that law? What was done?

Mr. CODERRE: No appointments were made. It has been impossible for us to get the money for the buildings necessary for the proper carrying out of the law. Last year I had in the Estimates an appropriation of $63,875 in this connection. The money was not spent and the item appears this year also. But we have not been able to make the progress desired, and when we reach that item it is my intention to propose that it be reduced to $5,000.

Mr. CARROLL: This question of explosives in mines has been before the public for some years. We were in hopes last year when the Act was passed that the Government would make the necessary expenditure to carry the provisions of that law into effect. I can understand that this year the Government is trying to keep down expenses, but it does seem to me that there are works that could be better reduced than this. In our own province of Nova Scotia we have very stringent local laws with regard to explosives, but some of the other provinces are not so well protected, and they need such a law as we passed last year to safeguard the miners. If the minister says that nothing can be done this year, I suppose we must accept that; but I would urge him not to overlook it for next year, for the mining people of Canada—I do not speak of mine operators so much as the people who go down into the mines to work—have been looking for years for such protection as this law would give.

Mr. CODERRE: I know that the hon. member is right. I have been pleading this year, as last year, to get the necessary vote to bring into practical effect the law passed last year. But it has been impossible, for the reasons I have given. I hope that next year we shall be more fortunate. I realize that the situation should be dealt with as soon as possible.

Mr. MARCIL: Does the department exercise control over those establishments where explosives are manufactured, as for instance at Rigaud, in Vaudreuil, Beloeil, on the Richelieu river, and other places? Last year explosions took place, with most deplorable loss of life. I have wondered whether the department had any authority over these factories.

Mr. CODERRE: We have authority under the law passed last year, but, as I have explained, we have not the necessary machinery to bring the law into operation, money being too scarce. Without the money necessary to provide the buildings and pay the staff the work cannot go on. Meantime, the situation will have to be dealt with by provincial governments and municipalities under the laws already provided.

Mr. MARCIL: Do the factory laws apply?

Mr. CODERRE: I think they would. But there are special laws passed by some of the provinces dealing with manufactories of this kind, giving authority to public officers to inspect and in some measure control.

Mr. MARCIL: Of course, that to which I call attention is different from the subject

mentioned by the hon. member for South Cape Breton (Mr. Carroll). He speaks of the use of explosives in mines and I of the manufacture of explosives. Nothing is more important than the safeguarding of human life, and if the Department of Mines can do anything to prevent loss of life through these terrible explosions, it would be hard to think of money being better spent. Some of these factories of explosives are right on the line of railway, within half a mile, and there is constant danger to the public. I have never heard whether any action is taken in the case of these explosions, but now is the time for the hon. minister to show what he can do.

Mr. CODERRE: In each of these cases the department has sent one of its principal officials to the scene of the explosion. Of course he could not do much. All he could do was to gather the particulars of the explosion and the extent of injury wrought in the destruction of life and property. He could not do more than that. This is one of the reasons why legislation was introduced by the Government with a view to prevent such accidents. We have not today the necessary machinery to enforce that law, but I hope that next year we will be in a better position.

Mr. MARCIL: The question of fuel is becoming a very important one in the large cities. In Montreal there are some poor people who are buying coal in 25-lb., 50-lb. and 100-lb. lots, while many have to obtain it through charity from the St. Vincent de Paul Society. Coal is selling in small lots at $9, $9.50 and $10 a ton, and by the ton at $8.50. What progress has been made in the introduction of peat fuel? The Montreal Light, Heat and Power Company has introduced a new fuel, coke, which is a by-product of the manufacture of coal gas and is used by the poor in conjunction with soft coal. It would be of great importance if peat could be introduced as a good fuel.

Mr. CODERRE: For years considerable sums have been spent, not only in Canada but all over the world, in the effort to solve the question of using peat as a fuel. The Government of Canada spent a considerable sum a few years ago at Alfred, in Prescott county, the total expenditure being $25,508. The results, I regret to say, were not satisfactory. That is to say, it has been found impossible to demonstrate by the process followed there that peat could be put on the market at a price which would compare favourably with that of soft coal. I have since taken much interest in a process owned by a gentleman named Graham in Ottawa. Lately he said that if the department would pay $100 to Mr. Porter, a mining engineer attached to McGill University, for a report he was sure it would be favourable. We have done that, and I have here the report of Mr. Porter. He says:

> It is a misfortune that Mr. Graham has been over-sanguine as to certain fundamental matters and it is with sincere regret that I feel myself unable to express unqualified approval of his proposal.

We have been working on that for two years and this is the result. It would be exceedingly important not only during the winter but all the year around if we could put peat on the market at a lower price.

Mr. MARCIL: What was the cause of the failure at Alfred, the raw material or the process?

Mr. CODERRE: Dr. Haanel, Director of the Mines Branch, will not admit that there has been a failure. He claims to have demonstrated that peat could be briquetted at such a price that it could be sold at $3.50 a ton. His report on this question is available to those interested.

Mr. MARCIL: Has the manufacture of peat at Alfred been discontinued?

Mr. CODERRE: After the Government experiments ceased, the plant was purchased by a Mr. Shuttleworth, an Englishman, who was deeply interested in the question and who has, since purchasing from the Government, spent through his representative, Mr. Moore, some $50,000 in developing the plant.

Mr. NESBITT: Last year I was told that this was a very successful undertaking of Mr. Shuttleworth. How successful has he been this year?

Mr. CODERRE: We are always hopeful in cases like this. I would like very much to have these hopes realized.

Mr. MARCIL: Has any progress been made in electric smelting lately?

Mr. CODERRE: In the Supplementary Estimates there is a vote of $10,000 to be spent in the operation of a process for the electric smelting of iron ore named the Monat-Irving process. The hon. member must have read in the paper last year that a delegation representing iron ore interests, more particularly in the province of On-

tario, came here to meet the Prime Minister and the Minister of Finance. They represented that as the ore was of a very low grade it would be well for the Government to give a bounty to the companies interested. Instead of that the Government appointed a commission, composed of three officers of the Department of Mines, to make an investigation; and that commission has made a partial report. If the House passes this $10,000 vote it will be used for the purpose of making experiments with the Moffat-Irving process, which is very well thought of in certain parts of the country. So far as zinc is concerned I think the sum of $50,000 was appropriated some years ago for the purpose of making experiments at Nelson, but they did not prove a success. These ores are of a very low grade, and a process has not yet been invented for developing them on a paying basis. I beg to move that the amount of $63,875 in the third item of resolution 282 be reduced to $5,000.

4 p.m.

Mr. CARROLL: What will the minister do with this $5,000?

Mr. CODERRE: It is to pay the expenses of the officers who are to make the investigations. Part of it will be used in travelling expenses, and part in making preparations.

Mr. CARROLL: If there is an opportunity of enforcing the Act I do not think this item should be cut down.

Mr. CODERRE: It is impossible to get this money. There is no item for it in the Estimates of the Public Works Department.

Mr. CARROLL: The difficulty is that the money does not appear in the Public Works Estimates?

Mr. CODERRE: Yes.

Motion agreed to.

Civil Government—Department of Mines—Mines Branch, second division, subdivision B; 1 at $1,300; 1 at $1,275; 1 at $1,262.50; 2 at $1,200; 1 at $987.50; 1 at $975; 1 at $800, $9,000.

Mr. CODERRE: I beg to move:

That the said Resolution be amended by adding thereto the words: "including $1,000 transferred for third division, subdivision A, to second division, subdivision B."

This is the same amount as was voted last year for this man. The reason why I ask for the transfer is that when we asked the Civil Service Commissioners for a certificate for this man, they told us it would first be necessary to have him transferred.

Motion agreed to.

Mines and Geological Survey—Mines Branch—investigations of ore deposits, economic minerals, peat bogs, determination of fuel values of coals, lignite and peat of Canada, including wages of machinist and labourers, and additional machinery; investigation of ore dressing, wages of labourers, machinery and equipment of laboratory; collection of information regarding minor minerals, and metallurgical industries and operations, $62,000.

Mr. OLIVER: Would the minister give us a sketch of what the intentions are with regard to the expenditure, of the particular objects of the investigations mentioned in the list and in what particular localities it is proposed to make the bulk of the expenditure?

Mr. CODERRE: This is an item of $62,000 for investigations to be carried on by the Mines Branch. The hon. member will notice that there is a decrease of $24,000. The main vote last year for the same purpose was $86,000. This item is to provide for the continuation of investigations into the copper resources of Canada and their utilization. There will be an investigation for the purpose of studying the recent advances and experiments in the hydrometallurgy of copper. These methods are applicable to low grade copper ores which at the present time are not used by our operators. Inquiries have been received with reference to the application of these methods of the recovering of copper to certain Canadian ores. The ore testing laboratories have also been asked to make certain experimental investigations along this line. There is an item of $6,000 for the investigation of iron ore deposits including magneto metric surveys. For the purpose of continuing our investigation of the iron ore resources two field parties are proposed and the areas not yet examined will be surveyed during the field season. The location of the parties cannot be determined until the close of the present field season, but one party will probably complete the work in Ontario while the other will be sent to British Columbia. There is another item of $2,000 which will be applied to the preparation of a new edition of the report upon the mining and metallurgical industries of Canada. The report is now in course of preparation by Mr. John McLeish, chief of division of Mineral Resources and Statistics. This item of $62,000 is divided into a large number of small items, and I am ready to go on with an

explanation of each of them, but it will take a long time.

Mr. OLIVER: I will not press the question; I see that the minister is not prepared to answer it.

Mr. CODERRE: I am prepared to go on with the explanation.

Mr. OLIVER: It would not really convey the information that I am anxious to have in a way that would be interesting. I wish to make a remark which perhaps is fitting at this place. I want to draw the attention of the minister and his department to the use of the word "lignite" in describing a large part of the coal formation of Alberta and Saskatchewan. A similar class of coal exists south of the line and there a different name is used for it. My information is to the effect that the use of the word "lignite" unduly and improperly prejudices the public mind in regard to the quality of coal so named. I may be getting into deep water when I undertake to discuss this question with the scientific members of my hon. friend's staff, but there is no question about the fact that the word "lignite" is properly used as a name for a coal that is not a coal but is a partially formed coal and therefore very inferior as far as burning qualities are concerned.

Mr. HAZEN: What do they call it south of the line?

Mr. OLIVER: Sub-bituminous. I would not wish that a name should be used that would convey an impression unduly favourable in regard to the quality of the coal but I am just as insistent that a name should not be used which conveys an idea unduly unfavourable to the quality of the coal.

Mr. CODERRE: What would the hon. gentleman suggest that we would do in order to change the name?

Mr. OLIVER: My suggestion is that a more appropriate name be used in designating the class of coal that is found in the prairie portions of the provinces of Alberta and Saskatchewan, a name that would not mark that coal as inferior for fuel purposes when it is not inferior. In the United States they use the term "sub-bituminous." There is no doubt that this is a more truly expressive term than the term "lignite" which, if I have read the encyclopedia correctly, is applied in its native home to an article that is not yet formed into coal, has not yet the colour of coal and has not yet the qualities of coal such as has the coal of the provinces of Alberta and Saskatchewan. I am quite aware that this name has been used for many years, but I hope it is never too late to mend.

There is no doubt that great harm has been done by the use of this inappropriate name. Now is as good a time as any to make the suggestion that a more suitable name should be used. The name used south of the line is a much more appropriate and expressive name than the one we use, and might very well be adopted in place of it.

For investigations of the manufacture and storage of explosives in Canada, apparatus and equipment, salaries of inspectors, chemist, machinist, clerical assistance and travelling expenses, $63,875.

The CHAIRMAN: I have an amendment before me to reduce the amount to $5,000.

Mr. MARCIL: Under what head come the chief reductions in this item?

Mr. CODERRE: Under the operation of the law passed last year concerning explosives in Canada, we do not need this money at all, unless we have the money to be provided by the Public Works Department for the erection of the explosives test station and accessories. We cannot get the money from the Public Works Department, and so we do not need this estimate. We have retained $5,000 of it for certain expenses in connection with the operation of the Explosives Act.

For practical tests in road making of tar sands of Athabaska, $5,000.

Mr. CARROLL: Is this the second year that this vote has been in?

Mr. CODERRE: Yes.

Mr. CARROLL: What is it for?

Mr. CODERRE: Arrangements were made with the government of Alberta and the city of Edmonton to lay two types of pavement with material obtained from the tar sands deposits of Athabaska river. Mr. Ells, of the Mines branch staff, is selecting the material this summer and is arranging for its transportation in the winter. The tile pavement, the foundation for which will be provided by the city of Edmonton, will be laid some time in the year 1915. There are already 50 tons of that material at Athabaska landing.

Mr. OLIVER: The people of Edmonton and vicinity appreciate very much the action of the minister in taking the course

that he has done in regard to this tar sand. It is a very practical piece of business that he has undertaken, and we hope that the experiment will turn out successfully, as it means a great deal to that part of the country. Has the department decided as to what the form the first experiment will take? There will probably require to be a number of experiments; but if the minister is able to make a statement in regard to what the present intentions of the department are, I shall be very glad to have it.

Mr. CODERRE: It is all experimental work. This will be the first experiment. A man fully qualified for the work will be sent to Edmonton to represent the department. He will try with all his might to get the desired results. We shall have, moreover, an experienced layer of material at Edmonton for the same purpose.

Mr. OLIVER: Will the experiment be tried out as pavement on the city streets or as improvement of the country roads? When we had this matter under discussion last year, we pressed for an experiment with a view to its application to the country roads. Which experiment is to have the first place in the attention of the department?

Mr. CODERRE: The experiment will be made on the city streets. There is an understanding between the city and the Government in that regard.

Mr. OLIVER: That was not the great purpose that we had in view in bringing the matter to the attention of the minister at the last regular session. The great purpose was the use of the asphalt in the improvement of the country roads. While, of course, its use in the improvement of the city streets is very good, the great purpose is for the country roads.

Mr. HAZEN: If the experiment proved useful for the city streets, would it not naturally be useful for the country roads?

Mr. OLIVER: It is possible to incur an expenditure in preparation for the laying of the city streets that would not be practicable in the case of the country roads. We wanted to find out if this would be a measurably cheap as well as efficient improvement for the country roads. Probably fifty tons would not be more than sufficient to try out an experiment thoroughly well on the city streets. Therefore, I would say to the minister that, while I give him every credit for what he has done to solve a practical problem in a practical way. I still point out that the great purpose of dealing with the country roads will not be altogether served by the means that have already been taken. No doubt it will need a much larger supply of material in order to try out these experiments on country roads, and I should be glad, if during the coming summer, the minister would take that fact into consideration, and secure a still larger supply for the purpose of carrying that experiment further. As to the experiment on the city streets, I do not think there is any question about it, the article is well suited to that purpose. The great problem is to find a cheap means of establishing permanent roads in that country of black soil.

Mr. JAMESON: Has the minister had any analysis made of this so-called black sand deposit in the vicinity of the Peace river? If so, did it indicate the presence of petroleum or of material that would produce gasoline?

Mr. CODERRE: An officer of the department has been working there—Mr. Ells. I am told that he has not yet had time to complete his work, but is gathering the necessary material to make a report. I do not know whether it will be necessary for him, in the meantime, to procure an analysis of that tar sand. I think we shall have to wait until he brings out his report to see if an analysis is necessary.

Mr. OLIVER: Far be it from me to assume a knowledge of my hon. friend's department superior to his own, but I wish to inform him that I have already received a very handsome volume containing Mr. Ell's report, upon which I congratulate both Mr. Ells and the department.

Mr. CODERRE: I do not remember having seen the report. But what I meant is that Mr. Ells is continuing his work.

Mr. MARCIL: Is this asphalt to be found in quantities sufficient to benefit the whole of Canada?

Mr. CODERRE: The deposit is very large—millions of tons.

Mr. MARCIL: I understand that the asphalt used in Montreal is all imported. It would be most encouraging to know that material for the making of good roads could be had in our own country. There is much to be done in the way of making good roads in the older provinces.

Mr. OLIVER: I understand that the item in regard to explosives has been reduced to $5,000 and passed in that form. But, if I may be permitted, I should like to say a word upon that subject. There are a number of operating coal mines in the constituency I represent, both so-called lignite and actually bituminous coal mines. While fortunately, we have not yet had any serious accident in connection with explosives, I should like to urge that the time to make expenditure for the protection of life against explosion is before the explosion takes place rather than after. As the law has been passed dealing with that subject, which has to be supplemented by certain expenditures, and as it appears to have been the intention of the Government to provide for those expenditures, I would urge as strongly as I can the reconsideration of the suggestion to cut down that appropriation. There have been very terrible mining explosions from what may be called the natural conditions, but there are other terrible accidents resulting from the nature of the explosives used. I understand that the legislation that I have referred to provides that proper precautions shall be taken that the explosives shall be in proper order and shall not be tampered with. There is no doubt there was a condition believed to exist which made it necessary to bring forward this legislation; and it seems strange that, the legislation having been agreed to by the House and the necessary expenditure having been considered and considered favourably, the appropriation should now be practically withdrawn. It is not a very large amount, and there is no doubt there are very important interests affected by the expenditure. I merely wished to place before the minister as strongly as I could the conditions as they exist and my views with regard to the matter.

Mines and Geological Survey—Geological Survey branch for explorations and surveys; ethnological, archæological and palæontological investigations; wages of explorers, topographers, draftsmen and others, $175,000.

Mr. A. W. CHISHOLM: Last year, the hon. minister will remember, I asked for information with respect to the dismissal of Mr. McLeod, who had been in the service of the Government for a great many years. At the time the minister was not able to furnish me with one part of the information asked for, that is, the reason of Mr. McLeod's dismissal. Can the minister give me that information now?

Mr. CODERRE: I remember that question was put to me, and I had an opportunity later of going into the record. The non-employment of Mr. McLeod was not last year, but the year before last. I was not Minister of Mines at that time, and of course I had to go to the record for the facts. The man has never been a permanent employee; he used to be attached to field parties in Nova Scotia. I cannot find in the record any reason for his not being reengaged for the season of 1913. I believe that a return has been ordered in respect of this matter; I do not remember having laid it on the table, but I do remember having seen it in my office, and if it will give any satisfaction to my hon. friend I shall be glad to look for it and bring it down Monday or Tuesday.

Mr. A. W. CHISHOLM: Who has been appointed in Mr. McLeod's place?

Mr. CODERRE: He was only a temporary employee, working during the few months of the year in which these field parties were engaged. If he has been replaced, I do not know by whom.

Mr. CHISHOLM: I am not surprised that the hon. minister is unable to give any reason for Mr. McLeod's dismissal. The fact is that there was no reason for his dismissal, unless it was that he was one of my supporters. Mr. McLeod—this will show how little he was interested in politics—did not go home to vote at the last election. He had been in the service of the Government for twenty-five years, and had been efficient in his work, a fact which I feel sure the Government has utterly failed to recognize. It is absurd to dispense with the services of a man who has worked faithfully for twenty-five or thirty years. The minister says that a report was asked for. I got that report last year, and I was glad to know that all the officers employed in the Geological Survery spoke of Mr. McLeod as a most efficient man, whose services could not very well be dispensed with. I have a clear recollection of a favourable statement made by Mr. Fletcher, who was the head of the department while he lived; in his death the country suffered a great loss. In view of Mr. Fletcher's favourable recommendation of this faithful servant of the Government, and in view of the fact that the Government could not charge Mr. McLeod with active political partisanship, it is not surprising to me that the minister is unable to give any reason for his dismissal. I may suggest a reason, however: on account of personal animosity

between Mr. McLeod and some of the politicians in the counties of Inverness and Victoria, Mr. McLeod was victimized. If the facts were laid before the committee, hon. gentlemen would realize that Mr. McLeod's services were dispensed with because some of these politicians got the ear of my hon. friend's predecessor. I am sure that my hon. friend's predecessor did not know the facts, or he certainly would not have dismissed Mr. McLeod. Last year I suggested to the minister that he should look into this case, and, if he found the facts to be as I represented them to him, that he should, on behalf of the Government and his department, offer to reinstate Mr. McLeod in the position, that he might continue to do the good work which he had been doing for so many years. What encouragement is there for any persons in the service of the Government to do honest work if they must look forward to the time when they will be thrown to the dogs, so to speak, at the instance of those who have not the slightest desire to further the interests of the country or to assist in the efficient administration of the department? Persons of this kind care for nothing but the satisfaction of their own desires. I hope the minister will take this case up, and offer Mr. McLeod the position that he held for so many years. It is no explanation to say that he was only temporarily employed, because the work which he did could only be performed during six or seven months of the year. My hon. friend must remember, however, that this service was continued for 25 years or 30 years. Mr. McLeod worked during the summer, and stayed at home in the winter, doing clerical work for the department. I do not know whether Mr. McLeod would undertake the work again, but I think it would be a good thing if the minister would take the matter in hand and teach a lesson to those persons who have interfered.

Mr. CODERRE: As I have already said, I do not know why Mr. McLeod was not re-engaged in 1913; neither do I know whether I can find out. In the return which has been mentioned, there is a recommendation of Mr. McLeod by Mr. Fletcher. I am told that Mr. McLeod was not employed continuously for 25 years. On one occasion the hon. member for Edmonton did not re-engage him; for what reason, I do not know. If my predecessor refused to re-engage Mr. McLeod because of partisanship, how am I to ascertain whether he was right in the course which he took? I will inquire into the matter, but if it is proved that Mr. McLeod has been guilty of political partisanship, I do not think my hon. friend will insist upon my taking him back.

Mr. A. W. CHISHOLM: I certainly will not. Mr. McLeod's suspension at the time referred to by the hon. minister was due to little domestic troubles which he had with my hon. friend's predecessor; it was not on account of partisanship. I am sure that my hon. friend would not look unfavourably upon Mr. McLeod for anything he had done against my hon. friend's predecessor. If Mr. McLeod was not re-employed because of non-partisanship or because of his not taking a sufficiently active part in politics, it is evident that he is going to be damned if he does take part in politics, and he is going to be damned if he does not. It is not safe for him to go into politics, and it is not safe for him to keep out of politics. The hon. minister certainly can make no charge of political partisanship against Mr. McLeod, and I am sure that he can find nothing else against him. I am encouraged to think, therefore, that the minister will take into consideration the suggestions which I have made in this matter.

Mr. OLIVER: Does the vote cover explorations for economic minerals?

Mr. CODERRE: These field parties will cover the country and collect data during the summer which will be used in the reports for the year, giving all the particulars of the country examined, the nature of the soil, the geological formations and the general character of the country. People will then be able to judge from these reports whether minerals will likely be found in certain localities. I do not mean that we will go prospecting or engage in the exploitation of mines. This year we will have parties working in Queens-Shelburne, N.S., examining the gold-bearing areas and will also carry on further investigations in connection with the coal measures. In New Brunswick there will be five field parties at work.

Mr. MARCIL: What are the parties looking for in New Brunswick?

Mr. CODERRE: They will investigate general geology in some districts, and make special investigations of the oil shales. In Quebec there will be five field parties, the principal investigations there being in connection with asbestos, mica and graphite.

Mr. OLIVER: What are the areas and purposes of exploration in the prairie provinces?

Mr. CODERRE: In Manitoba there will be an investigation of the gold and copper deposits at Beaver lake and general geological work. In Saskatchewan and the Northwest territories there will be special examinations of the Devonian area of the Great Slave lake district, with special reference to the occurrence of oil, lead and zinc. In Alberta there will be further examination of the coal measures and an investigation of the occurrence of underground supplies of water in the neighbourhood of Lethbridge.

Mr. OLIVER: There is at present a somewhat pronounced rush from Edmonton to some point on lake Athabaska to an alleged find of silver, in fact of cobalt. Has that particular area been the subject of examination by the geological survey and have steps been taken by the minister to have an examination of this district during the coming summer. I believe it is at the eastern side of lake Athabaska, in the neighbourhood of Pond du Lac.

Mr. CODERRE: No special investigation has taken place in this district. In view of what has taken place recently, we shall endeavour to ascertain if there is any foundation for the reports of discoveries and if there is we shall have an examination made. We have nothing in the department on which to base an opinion as to the value of the alleged discoveries.

Mr. OLIVER: A certain prospector has been operating in that territory for two or three years. During the past winter, after the ice set, he came out and brought with him a number of samples. I did not see the samples, but I heard at the time about them being brought out. About two weeks ago there was published in the newspapers quite a startling report as to the assay value of these samples, and on the strength of that report quite a number of prospecting parties have started from Edmonton for the purpose of locating claims. If the department would take steps to see the samples this man brought out, they could satisfy themselves as to the merit of the strike. I have no knowledge myself of the actual value of the samples, but as a number of parties of men have outfitted at great expense for the purpose of going down there, I think it would be quite in order for the department to send out an expert to look over the field to see what merit there might be in it. The place is easily accessible in summer time. I think this would be a wise step on the part of the department.

Mr. MARCIL: Is there anything new in the shale industry in New Brunswick?

Mr. HAZEN: I can perhaps tell my hon. friend about that. A friend of his in the Senate, Col. Domville, is very deeply interested in the shale business in New Brunswick, and I think some members of this House too. A little before war broke out, arrangements had been made under which a large amount of English capital was coming in for the development of that industry, but the war has prevented that for a time.

Mr. MARCIL: Is it in Westmorland county?

Mr. HAZEN: No, Albert county chiefly. The matter is now being taken up again, and I understood from Col. Domville the other day that a diamond borer belonging to the local Government had been placed at their disposal, and that further explorations were being made. There are several different shale propositions in the county of Albert. I think Sir William Mackenzie is interested in one of the companies, but not much has been done on account of the war. The general impression is that there is very great wealth in the shale there. The shale will be reduced to oil, and will give very many valuable by-products. The shale has been tested in Scotland at the shale works at Pumperston, and has been found to be as rich as the best shale. The shale question has been talked of in New Brunswick for a great many years, and a good deal has been done. Different companies have been formed, but the difficulty has always been that a very large amount of capital is required in order to place the business on a proper basis. I was talking two or three years ago to Dr. F. S. Pearson, of New York, whom my hon. friend may remember as a scientist and a company promoter. He is the gentleman who promoted the Dominion Coal Company. He told me he was satisfied that in the near future there would be established in the county of Albert an industry that in dimensions and importance would be much greater than the Dominion Coal Company.

5 p.m.

The delays have been somewhat disappointing to the people of New Brunswick, for everybody in that section is extremely anxious that something should be done to develop this mineral wealth, which is universally believed to be of very great importance.

Mr. MARCIL: What is this oil used for?

Mr. HAZEN: For fuel chiefly, for the use of engines, steamships, and things like that.

Mr. MARCIL: And for lighting purposes?

Mr. HAZEN: I do not think so. It is very rich in sulphate of ammonia, which enters very largely into the composition of fertilizers. Then there are all sorts of by-products from which aniline dyes and things of that sort are made.

Mr. MARCIL: I think the industry is an important one in every respect.

Mines and Geological Survey—Geological Survey Branch—for exploration and investigating the possible occurrence of radium bearing ores in Canada, and for the dissemination of information concerning these ores, $10,000.

Mr. MARCIL: Has anything been done about this?

Mr. CODERRE: There have been no results as yet.

Mr. MARCIL: Are these finds expected to be made in the West?

Mr. CODERRE: I do not see that anything has been done so far. We have a tentative programme of field work for this season.

Mr. OLIVER: I might say that this particular item goes entirely beyond and is entirely different from the intention of the preceding item. My hon. friend pointed out that the preceding item was not for the purpose of actually prospecting. This particular item is for the purpose of prospecting.

Mr. CODERRE: For exploration and investigation.

Mr. OLIVER: Yes, it is for the purpose of prospecting. I am not finding fault with that at all. I think it is a very proper purpose in which to spend a small amount of public money and employ the talents of the officers of the department. But what I wish to urge is that the same attitude be adopted by the department with regard to other minerals that might be found from time to time. I would suggest that a specialty be made of prospecting for particular minerals.

Mr. CODERRE: Owing to the interest being taken in radium, and owing to the fact that radium-bearing minerals are for the most part unknown to the ordinary prospector, the department thought fit to do this exploration themselves.

Mr. OLIVER: I am supporting the department in that.

Mr. MACDONALD: Who has succeeded Mr. Fletcher as chief of the exploration work in Nova Scotia?

Mr. CODERRE: Dr. Hayes. There will be several field parties in Nova Scotia this season.

Mr. MACDONALD: There is a Dr. Hayes who is the provincial Tory organizer and a friend of my hon. friend from North Cape Breton. I suppose this is a different man?

Mr. CODERRE: Yes.

Mr. MACDONALD: Perhaps my hon. friend will give some statement as to his experiences and qualifications, with particular reference to coal.

Mr. CODERRE: His full name is Albert Orion Hayes. He was employed as an assistant to Charles Camsell, Geological Survey, season 1907, at $75 per month; assistant to W. H. Boyd, seasons 1908-9; assistant to R. G. McConnell, seasons 1909-10-11; chief officer in charge of party, May 14, 1913. Appointed to position of junior geologist in subdivision A of the second division in the Geological Survey, at $1,600 per year, from 9th November, 1914, per Civil Service certificate dated 9th November, 1914. He will be at the head of a party which will operate in Nova Scotia during the coming season to make an investigation of the coal measures at New Glasgow.

Mr. MACDONALD: Dr. Fletcher was a man who had a wonderful reputation among all the coal people in the province of Nova Scotia, and, now that he is gone, that fact may not have any significance or importance. But I would like to point out that Nova Scotia is the only coal-bearing province, with the exception of a small quantity that is found in New Brunswick, east of the Rocky mountains.

Mr. OLIVER: What?

Mr. MACDONALD: With the exception of Alberta.

Mr. SINCLAIR: East of the Great Lakes.

Mr. MACDONALD: East of the Great Lakes, as my hon. friend (Mr. Sinclair) says, would probably be more accurate. There was a great deal of Dr. Fletcher's work which was not complete. There is

quite a problem, as to which he entertained a strong opinion, as to whether coal exists north of the conglomerate formation. He was of the opinion that there existed a very large bed of coal extending from the conglomerate formation down to the coal fields of Cumberland county. He was making an investigation into that question when he was called away. The coal area of Nova Scotia is limited to Pictou and Cumberland counties on the mainland of the province. Of course, Cape Breton Island is by itself. It is a matter of very great importance that the particular phase of the subject to which I have referred should be investigated. I hope that Dr. Hayes, who is the successor of Dr. Fletcher, will have his attention called to that fact. I notice the statement that he is exploring in the vicinity of New Glasgow, but that is somewhat to the eastward of the point I mentioned.

Mr. CODERRE: Not very far.

Mr. MACDONALD: No, not very far. It is in the present coalfield, which is delimited by the conglomerate foundation. The question is as to the existence of coal between the conglomerate and the coal measures of Cumberland. As to the existence of coal there in large quantities, Dr. Fletcher had very pronounced views. I would like to ask the minister to take a note of this fact, with the view of directing the attention of Dr. Hayes, who, I hope, will prove a worthy successor to Dr. Fletcher, to the possibility of developing that field in the province of Nova Scotia. The coal fields of Nova Scotia being limited, in the mainland of the province as distinguished from Cape Breton, it is most desirable that the idea of Dr. Fletcher should be followed up, in order to make sure of the existence of what he believed to be a large bed of coal. It would add to the coal resources of the country, and it would be a very great and important work if the department should locate, at a depth where they could easily be worked, coal measures as to the existence of which Dr. Fletcher was quite confident.

Mines and Geological Survey—Geological Survey Branch—for publication of reports, translation of reports into French, maps, plans, illustrations, etc., $75,000.

Mr. MACDONALD: I have not seen any reports from the Geological Survey of late with reference to the province of Nova Scotia, although I have noticed pamphlets relating to other portions of Canada.

[Mr. Macdonald.]

Mr. CODERRE: I do not remember having seen a report of the work done in Nova Scotia, but I will ascertain if there is one.

Mr. MACDONALD: I think we ought to have a report on that work soon.

Mr. OLIVER: May I ask as to the time elapsing between the geological exploration and the publication of the report of the exploration? In times gone by there seemed to be such an interval between the exploration and the publication of the report that the value of the exploration in many cases was largely lost. I would like to know if anything has been done under the present minister to speed up the production of reports. In regard to the Ells report, I think it is entirely creditable to Mr. Ells, to the department and to the printing shop that did the work. I would like to see that illustrious example followed in regard to everything else.

Mr. CODERRE: Last year the Deputy Minister of Mines drew my attention to the delay. As my hon. friend has said, that delay in almost all these cases is fatal. Some of these reports were useless when they were printed, published and distributed. To obviate that inconvenience we thought it would be better to have these reports printed by one firm because it was impossible to print everything at the Printing Bureau. Having to send something outside, and believing that these reports should be as well printed as possible, we have made a contract with the Mortimer Company, Limited, of Ottawa. I believe that, as a result, the reports will present more uniformity, will be brought before the public sooner, and will be printed in such a manner that they can be sent out of the country without the Government or the people being obliged to gloss them over. They will compare favourably with reports of the same kind. the world over.

Mr. OLIVER: It is not only a question of printing the reports; it is a matter of compiling them. Can the minister say that the reports of the explorations that will be made during the coming summer will be available for the use of the public by the succeeding spring? The explorations having ceased at the end of summer, the explorers should make their compilations and the printers should do their work before the following spring, so that those who are interested in following up for economic purposes the information secured would

have that information available in time for its use in the following spring. That is the purpose that should be aimed at.

Mr. CODERRE: The report of the work done last year will come out within a month, and the report of the work done during the coming season will come out very early next spring. It is impossible to bring them out with more rapidity than that.

Mr. OLIVER: Without being too insistent, let me urge upon the minister that prospecting work begins as soon as spring begins. The prospector, if he is going into a distant part of the country, requires the whole season to make an effective summer's work; and if the information that has been secured by the Government through its officers in the Geological Department is available during the month of March, then he has the whole summer in which to do his work based upon that information; but if that report is not out before June, then he has only half the summer and can do only half as effective work in the interest of exploration and development.

Therefore, permit me to insist that the minister and his department should use every endeavour to have the results of the explorations of the coming year available before the beginning of the season of exploration in the following year.

Mr. CODERRE: That will be the case so far as the work of last year and of the coming year is concerned. We all understand, of course, that parties go very far from Ottawa to gather data; that they work in the field during the whole of the summer season and sometimes until late in the fall, and that most of them do not return until about the end of November. Then they have to compile the information and prepare the reports. If those reports can be distributed to the public in the month of April following the season during which the information has been secured, it is impossible to ask for more than that. The explorers must have a few months in which to compile their reports, and it requires a month or two for printing and for preparing the maps. The reform asked for by my hon. friend has been already accomplished.

Mr. OLIVER: I am very glad to hear that. Between the minister and myself, I am very glad to compromise on April.

Mr. MACDONALD: To what extent does the department exercise supervision over the operation of coal mines upon lands leased from the Dominion Government?

Mr. CODERRE: I do not know anything about that. That matter belongs to the Department of the Interior.

Mr. MACDONALD: The minister does not understand me. He is head of the Department of Mines, and anything relating to that department would centre in him. A person obtains a coal lease in Alberta, and proceeds to operate a coal mine. I am not speaking about the payment of rent or anything of that kind; I am speaking about the operating of the coal mine. Does the Department of Mines exercise any supervision or make any regulations as to the precautions that must be taken by the operator, or what is the line of demarcation between the control of the Federal Government and the control of the Provincial Government? Those lands being the property of the Federal Government, and in that respect conditions being different from conditions in the East, where the coal area is the property of the Provincial Government, it would occur to me that some duty would be cast upon the Federal Government in regard to the operation of the mine. Take the question of safety of life. Where the Provincial Government owns the land and gives it to the operator for a consideration, the Provincial Government lays down certain laws in regard to the manner in which the mine shall be operated, in regard to the safety of the lives of the workmen, and so on. Does this Government do that in regard to any of its properties?

Mr. CODERRE: Those regulations do not belong to this department at all. I do not know whether they exist or not; but, if they do, they must have been passed by the Department of the Interior.

Sir GEORGE FOSTER: If my hon. friend will allow me, something passed under my notice within the last week or two with reference to this matter. Those lands are leased by the Department of the Interior. The correspondence which passed under my notice stated that they seemed to have been leased by the Interior Department up to the present time; that those who worked them, worked them just as they wished without any supervision as to the manner of taking out the coal, the mining of the coal economically and without regard to the future. That was the representation from a very influential quarter, urging that there should be supervision. That matter is before the Prime Minister and the Minister of the Interior. I thought that plea was a very

proper one, as it was very uneconomical to have those mines worked without a proper system and a governmental supervision. Therefore that matter will be taken into consideration.

Mr. MACDONALD: In the province of Nova Scotia, which has been a mining province for a long period, although a lessee is operating a mine he cannot proceed to take out the coal as he pleases. He must mine in a certain way; he must file plans with the Government, and the Government inspectors can prevent him from taking coal out of a certain pillar or from removing certain protections for the future. Are there any provincial laws on the subject?

Sir GEORGE FOSTER: I should judge, from the correspondence which passed through my hands, that the matter would belong to the Dominion Government, it being the lessor of the land.

Mr. MACDONALD: A great many men from my province are working in those coal mines. There have been quite a number of disasters of late, and it has been a subject of discussion amongst the friends of these men in the east as to where the responsibility rests, and as to the wisdom of exercising some control over the method of mining, which is important in the interest of life as well as of property.

Grant to Canadian Peat Society, $1,500.

Mr. PROULX: Is the department still making experiments with peat?

Mr. CODERRE: No, we are not making experiments. This is a grant to the society.

Civil Service Commission, salaries, $32,037.50.

Mr. MARCIL: Is there any provision here for the appointment of a third commissioner?

Mr. CODERRE: No.

Mr. MARCIL: No intention of making such an appointment this year?

Mr. CODERRE: I could not say as to that.

Mr. MARCIL: Is the salary provided by statute?

Mr. CODERRE: I think it is, but I am not sure.

Department of Naval Service—to provide for the maintenance and upkeep of ships, Naval College and dockyards at Halifax and Esquimalt, and Royal Naval Canadian Volunteer Reserve, $1,000,000.

[Sir George E. Foster.]

Sir WILFRID LAURIER: We should like some explanation of this from the minister.

Hon. J. D. HAZEN (Minister of Marine and Fisheries): On Monday morning, on the second reading of the Bill for granting aid to His Majesty for military and naval defence, I will make a statement in regard to the working of the Naval Department in connection with the present war; and so I will not refer to it now. This is an amount appropriated for the Naval Service, the same as in the Estimates of last year. It is doubtful whether any large portion of this vote will be expended. The expense of carrying on our naval end of the war, with the Niobe, the Rainbow, the submarine and other ships engaged in the Naval Service and placed at the disposal of the Admiralty, are being paid out of the war vote. I thought at first I might cut down this vote very materially; but in discussing the matter with the Finance Department, it was pointed out that this would not be a safe policy, for if the war came to a sudden termination, we must have some vote on which to fall back to carry on the services, which could not then be charged up to the war appropriation.

Mr. A. K. MACLEAN: Is the cost of operating the Niobe and the Rainbow not paid out of the civil vote?

Mr. HAZEN: No, out of the war appropriation.

Mr. MACLEAN: There is no authority for that, surely.

Mr. HAZEN: Our information is that there is ample authority under the war vote.

Mr. MACLEAN: Of course, you can read anything you want to in that war vote. However, I will not discuss that now.

Mr. HAZEN: It may be that only a small portion of this $1,000,000 will be required during the war. I will read how it is made up: Royal Naval College, $90,000; dockyard at Halifax, $200,000; dockyard at Esquimalt, $85,000; for the Royal Naval Canadian Volunteer reserves, $200,000; salaries at headquarters and other miscellaneous expenditures, $50,000; amount available for His Majesty's Canadian ships Niobe and Rainbow and submarines CC-1 and CC-2, $375,000. Total, $1,000,000. The amount for the Royal Naval College at Halifax will have to be expended. Some of the other amounts will have to be expended, but if the war continues, a comparatively large portion of it, I hope, will not be expended.

Mr. A. K. MACLEAN: What does it cost to operate the Niobe and the Rainbow?

Mr. HAZEN: The estimated cost of operating the Niobe for the year—this is based on the expenditure during the present war —is $726,125, and the Rainbow, $366,450. For operating the two submarines, $170,075; submarine depot, $38,800; Halifax dockyard, $257,500; Esquimalt dockyard, $173,350; Royal Naval College, $90,000; the Shearwater, which is the name of the Esquimalt dockyard, $207,425; Atlantic defences, $296,000; Pacific defences, $229,500.

Mr. A. K. MACLEAN: In this vote is not included the amount requisite for the operation of the Niobe and the Rainbow?

Mr. HAZEN: During the war, no.

Mr. MACLEAN: Supposing there were no war?

Mr. HAZEN: These boats, when war broke out, were placed at the disposal of the Admiralty. When the war is over the expense of operating these ships cannot any longer be charged up to the war vote, and it is necessary, in case the war comes to a sudden termination, to have a vote from which these expenses can be paid. As I said before, my impression had been that it would not be necessary to have such a large amount as $1,000,000, the amount which was voted last year, but after considering the matter the Deputy Minister of Finance thought that if this amount were not provided difficulties might arise if the war came to a sudden termination.

Mr. A. K. MACLEAN: Of course, it is a very nice problem to determine what amount should be expended from the ordinary sums voted by Parliament for the maintenance of any service directly involved in the war, and what should be taken from the credit vote of $50,000,000. This is a matter to which I think the Government have not given very careful attention. It is true that they insist upon passing Orders in Council for every expenditure made under the war credit vote, but I want to submit to the minister that in the ordinary vote there is a certain amount for the maintenance and operation of the Niobe, and that amount could be used, notwithstanding the fact that the Niobe is now under the control of the Admiralty and engaged in war operations. Supposing we were not in a state of war. The Niobe is in our possession and in any event it would cost something to operate her, for which purpose there is a vote in our ordinary Estimates. This amount might be used, as far as it will go, towards the cost of operation at the present time. I think the same thing is being done in England. They have experienced some difficulty in working it out so as to adjust properly the expenditure which comes from the war credit vote and that which comes from their ordinary supply. I doubt very much whether it can be said that the vote made by Parliament for the maintenance of the Canadian naval ships should not be applied in some way; the expenditure should not, at any rate, be all charged to the war vote.

Mr. HAZEN: That view presented itself, and was considered. The opinion entertained by officers of the department was that it would be most difficult to adjust it in the way suggested by my hon. friend. As a matter of fact, I recollect that one of the officers of the department told me that it had been found practically impossible in the case of the British navy to work out a system of that kind. As the money is paid by the country in any case, the matter would not seem to be of very great importance.

Mr. SINCLAIR: I notice that the vote includes an appropriation for the Royal Naval Canadian Volunteer Reserve. Will the minister tell us if he is making any progress in regard to obtaining volunteers for the navy, and what action he has taken in the matter generally?

Mr. HAZEN: We commenced organizing naval volunteers in British Columbia, where there was already a volunteer organization. Although no provision has been made by the Government for it, even before the regulation referred to by the hon. member for Guysborough was passed a large number of citizens had organized at their own expense in Victoria and Esquimalt a naval volunteer reserve force. All we had done up to that time to assist them was to place at their disposal a shed and other facilities for their training at Esquimalt. We proceeded to organize a naval volunteer reserve there, and they have been a very useful body. We have been absolutely prevented from proceeding further with the work by reason of the fact that it has been impossible to get competent instructors to take charge of these naval volunteers. The naval reservists who were in this country before the war broke out have since joined the British

navy, and it has been difficult to get competent men to act as instructors. The organization in Victoria, however, has proved to be of great value. A large number of the men have gone on board the Rainbow, and many have been there ever since. Numbers of the men are serving in different capacities, as follows: on the Rainbow, 57; on the Aid, a ship engaged in connection with naval work, 20; on the Prince George, which was chartered for a time as a hospital ship, 18; in the barracks on shore duty, 176; in other capacities, about 107. This makes 35 officers and 387 men, a total of 422.

Mr. SINCLAIR: Have these men enlisted for any stated number of years?

Mr. HAZEN: They have enlisted for the duration of the war, or for three years; that is to say, the length of service is three years, and if the war lasts that long, at the end of the three years their contract has been completed and they are at liberty to retire from the service.

Mr. SINCLAIR: They are not all on the Rainbow?

Mr. HAZEN: Some are on the Rainbow, some on the Prince George, and some on the Aid.

Mr. SINCLAIR: Are there none on the Niobe?

Mr. A. K. MACLEAN: The minister might give us the enlistment strength of the Niobe.

Mr. HAZEN: On the Niobe there are about 700 and on the Rainbow about 300 The Niobe was manned by a certain number of men when the war broke out. On the Pacific coast there were two small British vessels, the Shearwater and the Algerine, which were the last remnant of the British navy on the Pacific coast. Those boats were kept at Esquimalt. They were small vessels of about 1,000 tons each and were used for the purpose of flying the British flag where it was thought well to do so. At the time the war broke out both of these boats were in Mexican waters to show the British flag there. They came up along the coast and, as a matter of fact, day in and day out, we were watching for signs of them because there was very great fear that they would be captured by German cruisers which were understood to be abroad in the Pacific ocean. These vessels made their way up to Esquimalt again and they never sighted the Germans. One of them, in fact did not know that war had been declared until she arrived at Esquimalt. They are very slow boats making about ten knots an hour. The British Government laid these two boats up at Esquimalt. They gave us one of them as a parent boat to the submarines and the crews of the two boats were brought across and placed upon the Niobe at Halifax. In addition to that we enlisted several hundred naval reservists, thoroughly trained men, with experience in the British navy and still young enough to serve, in the city of Toronto, and in addition to that we have about 100 naval reservists from Newfoundland.

Mr. A. K. MACLEAN: How many came from the two ships of the British navy?

Mr. HAZEN: I think not quite 300.

Mr. MACLEAN: Did Captain Corbett come from one of them?

Mr. HAZEN: He was captain of the Algerine and he took command of the Niobe.

Sir WILFRID LAURIER: Will the statement which my hon. friend promised for Monday contain a full statement of the ships of which our fleet is now composed?

Mr. HAZEN: Yes, all the ships we have and the number of men in the service. I shall also state what part we have taken since the war broke out.

Sir WILFRID LAURIER: Could my hon. friend give us to-day information about the naval college?

Mr. HAZEN: We have in the Royal Naval College 28 cadets. The number applying for the examinations in the month of April this year show that our accommodation there, which is only about 45 students, will be taxed to the utmost for the first time. As the college continues and the work it is doing becomes appreciated the number of applications is increasing.

Mr. SINCLAIR: What is the age at which young men are admitted?

Mr. HAZEN: Between 14 and 16; not over 16. We have had to refuse applications in a good many cases where young men were over 16 years of age. Some of the cases seem hard but we must not depart from the rule because if these young men are to have a career in the navy they must enter under 16 years. A man entering the college at 16 would be handicapped because when he joined a ship he would be older than the other midshipmen and it would not be

satisfactory from any standpoint. The age in England is between 13 and 14 years. In Canada the limit was fixed at 16 because it was thought, and properly thought, that our boys are not allowed to go away from home to school as early as they are in England.

Sir WILFRID LAURIER: I would like a statement of the organization of the college, the number of professeors, etc.

Mr. HAZEN: The captain in charge, who is the head of the college, is Captain E. H. Martin. He is not on salary as a professor, but is on the list of the Halifax dockyards. The director of studies is Mr. B. F. Hartley; the naval instructor, Mr. C. G. Allin; the engineer lieutenant, Mr. Angus D. M. Curry. There is also a boatswain, Mr. G. W. Brooker, who does practical work in connection with the instruction of the cadets. The civillian masters are Messrs. L. N. Richardson, John D. Pinhey, and A. C. Hatcher. In addition there is a matron of sick quarters, Mrs. F. L. Barnstead. The subjects taught at the college are mathematics, navigation, mechanics, physics, chemistry, engineering, seamanship, pilotage, either French or German, English, geography and history, including naval history. After serving with the college for some time these young men go to sea, where they are taught seamanship, pilotage, gunnery, torpedo, applied electricity, mathematics, navigation, engineering, applied mechanics, ship construction, and the principles of heat and steam. At the end of each college term the progress of the cadets is tested by examination. We have at present serving on the cruiser Berwick eight cadets under Naval Instructor David A. F. Robinson. These cadets are William J. R. Beech, Thos. S. Critchley, John C. I. Edwards, Donald St. Geo. Lindsay, Howard E. Reed, Henry W. Soulsby, Cuthbert R. H. Taylor, Robert W. Wood. Among those who are serving in His Majesty's Navy in this fight are a number of college cadets, and from the reports we have received they have covered themselves with credit. One of them is a son of my hon. friend from Temiscouata (Mr. Gauvreau), and we have received very good reports about him. My hon. friend was good enough to send me a photograph of his son in uniform, and I am sure there could not be a finer looking specimen of Canadian manhood. Four of our cadets were lost in the disaster to the Good Hope: G. V. W. Hatheway of Fredericton; M. Camm of Yarmouth; and A. W. Silver and W. A. Palmer, both of Halifax.

Mr. SINCLAIR: They were all cadets from the Halifax college?

Mr. HAZEN: Yes.

Mr. A. K. MACLEAN: The minister has given us the names of those serving on the Berwick. On what ships are the other cadets from the college?

Mr. HAZEN: They are serving on different ships. The names of the Canadian officers serving on His Majesty's ships are: Charles T. Beard, sub-lieutenant; Victor G. Brodeur, sub-lieutenant; Geo. P. Clark, engineer lieutenant; Stanley N. DeQuetteville, engineer lieutenant; L. J. M. Gauvreau, midshipman; Frank H. Jefferson, engineer lieutenant; Hubert J. Napier Hemy, engineer lieutenant; Percy W. Nelles, lieutenant; John Eric W. Oland, midshipman; John M. Grant, midshipman; and Geo. C. Jones, midshipman. The father of Charles T. Beard is a civil servant, I believe, here in Ottawa. Victor G. Brodeur is a son of Mr. Justice Brodeur of the Supreme Court, and L. J. M. Gauvreau is a son of the hon. member for Temiscouata.

Mr. MACDONALD: On what vessels are Midshipmen Murray and Dand?

Mr. HAZEN: They are both serving on the Niobe.

Mr. MACDONALD: What other midshipmen are on the Niobe?

Mr. HAZEN: R. I. Agnew, L. W. Murray, D. B. Moffat, G. A. Worth, J. D. Laurie, H. R. Tingley, A. F. L. Wilkinson, Alex. H. Dand, Ronald C. Watson.

Mr. MACDONALD: How many cadets altogether are serving in the navy?

Mr. HAZEN: About twenty, besides the eight cadets serving on the Berwick. I do not know whether my hon. friend from Pictou was in the House when I was saying that we believe the college will be crowded to full capacity after the April examinations. The college is situated in the naval yard at Halifax, in what used to be the hospital building. If the college continues to grow as we expect, it will be necessary in the near future to seek better quarters. It occurred to me when I was in Halifax last summer that a magnificent site for a naval college would be that splendid property in Halifax where the Admiral used to live. The house is magnificent, but I do not know whether it would be suitable

for a college, and the grounds are very beautiful and extensive.

Sir WILFRID LAURIER: As far as I can judge, the organization of the college seems to be very thorough. I hope my hon. friend will be able to bring it up to the standard of the Royal Military College at Kingston, which is a great credit to Canada.

Mr. HAZEN: I quite agree with my hon. friend that the military college is a great credit to this country, and that standard will be something for us to keep in view. The military college at Kingston turns out young men capable of filling positions not only in military but in civil life. We hope to make the naval college as great a credit to the country as the military college at Kingston.

Mr. PUGSLEY: When was the organization of the naval college commenced?

Mr. HAZEN: In 1910.

Mr. PUGSLEY: It has made good progress.

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

The House resumed at eight o'clock.

PRIVATE BILLS.

SECOND READINGS.

Bill No. 107, respecting a patent of John Milne & Son, Limited.—Mr. Kyte.

Bill No. 108, respecting the Moncton and Northumberland Straits Railway Company. —Mr. Robidoux.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Mr. A. K. MACLEAN: I would like to ask the hon. the Minister of Naval Affairs (Mr. Hazen) what are the disbursements per month in connection with the operation of the Niobe, exclusive of the wages that are paid to the officers and men?

Mr. HAZEN: For stores and provisions on the Niobe the expenditure was $96,675. The total expenditure for stores of all sorts, including provisions, clothing allowance, medical stores, naval stores, stationery, freight on stores, dockyard stores and contingencies, is $305,575.

Mr. MACLEAN: What is the $98,000.

Mr. HAZEN: $96,675 for provisions.

[Mr. Hazen.]

Mr. MACLEAN: How does the minister purchase the provisions?

Mr. HAZEN: By tender and contract with the exception of some very small and trifling items. In the Naval Service Department all supplies and stores are purchased by tender and contract.

Mr. MACLEAN: Are tenders for the supplies of the Niobe asked, at stated periods, or to suit the requirements?

Mr. HAZEN: Tenders for the main supplies are asked twice a year.

Mr. LOGGIE: The following letter is addressed to the editor of the Union Advocate of Newcastle:

> Dear Sir,—We would like to know from the authorities at Ottawa how it is that the manager of the wireless station here is an American who persists in displaying the American flag over his office door, so that all Britishers and others entering must pass under it; also that all Canadian and British employees have been discharged and a number of foreigners taken on instead. Is the Universal Radio Syndicate an English company, or is it an alien company? If the latter, why the need for a guard?
>
> (Sgd.) Subscriber.

Mr. ROGERS: What is the name of the paper?

Mr. LOGGIE: The Union Advocate, of Newcastle, N.B., where the wireless system is established.

Mr. ROGERS: Has it any circulation?

Mr. LOGGIE: Yes, it has some circulation.

Mr. HAZEN: Yes, it is an old paper; I have known it for a long time. It used to be published by Mr. Amslow years ago.

Mr. LOGGIE: It is not published or owned by Mr. Amslow now. It is a dyed-in-the-wool party paper. I suppose I can answer the question of the writer insofar as to say that the Universal Radio Syndicate is an English company. Still I am sure it would be interesting to the public at large to know the circumstances under which this wireless system was taken over by the Government. It was constructed very recently, and it was not much more than in working order when war was declared. It was lately taken over by the Government, and I suppose we all should be glad if such means of communication are available to the Government. The Government gave power to the English syndicate to construct this radio system. I understand that it has been in general use since war has been declared. It

would be interesting to the people of my county as well as the House to know to what extent it has been used and what are the circumstances that are referred to by this writer in connection with it, providing it is something that the public ought to know and it is not necessary to observe any secrecy in connection with it.

Mr. HAZEN: The information contained in this article, as far as I know, is quite incorrect. It is a private company, this is not one of the stations that is owned by the Government and the Government have not taken the station over. I understand that the station is not doing a commercial business yet. It connects with a station on the coast of Ireland at a place called Ballybunnion. It is not perfect yet, but there are messages passing, and it may prove in the future of very great importance. If anything should happen to the station at Glace Bay I suppose the Militia Department thought it desirable to afford this station some protection from that standpoint, but we do not appoint the officers, and my deputy minister, who is fairly familiar with the wireless stations which the department controls at other places, says that he thinks that it is absolutely incorrect to say that any officials there are not British subjects. I am sorry I cannot give my hon. friend any more information, but it does not come within my jurisdiction.

Mr. KYTE: Surely the question of flying a foreign flag in this country comes under the jurisdiction of some department of the Government?

Mr. HAZEN: I do not suppose for a moment that it is true. My attention was never called to such a thing.

Mr. KYTE: I think it is a matter that ought to be inquired into. I know that from time to time we have seen in the newspaper press descriptions of incidents that happen in some parts of the United States when the British flag is flown on certain semi-public occasions. While I deprecate any such thing as a hostile demonstration because of the mere fact that the flag of a friendly nation is flown to the breeze, when it comes to the flying of the flag of the United States as a custom on one of our Canadian institutions in the province of New Brunswick, surely the Government ought to take some cognizance of it and inquire into the conditions under which it is permitted.

Mr. HAZEN: So far as I know, there is no law in this country to prevent a citizen of Canada from flying the American flag if he chooses to do so. Perhaps we are more broad-minded in that respect than are the citizens of the United States. It is not an uncommon thing in this country in the summer season to see the American flag flying from a hotel owned by a British subject, who is thoroughly loyal to the British Crown and to Canada, out of compliment to his American guests. This is a private company.

Mr. KYTE: Subsidized by the Government.

Mr. HAZEN: No, it has obtained nothing from our department, and it has no subsidy from the Government. This Government has not put a dollar of money into that private company, nor in any way assisted it financially. It is an English corporation; and if it chooses to fly the American flag, although it may be very bad taste for that company to do so, yet there is no law in this country under which we can interfere. We live on terms of amity and good will with our friends in the United States, and I do not think we should make any complaint in regard to this matter. I do not approve of the practice of flying the American flag from hotels owned by British subjects: I would rather see our own flag flying, that is, the British flag with the Canadian scroll upon it. I do not think, however, there is any reason for making a serious matter out of this incident. The deputy minister informed me that all the officials were British subjects. He asks me to correct that statement. He says that one of the managers, he thinks, is an American citizen.

Mr. LOGGIE: I do not think the illustration given by the minister is as happy as it might be. It is not a question of flying the American flag: it is a question of a doorway being draped with the American flag.

Mr. HAZEN: That is not so bad then.

Mr. LOGGIE: The letter says:

> So all Britishers and others entering must pass under it; also that all Canadian and British employees have been dismissed and a number of foreigners taken on instead.

The fact that the Department of Naval Service has not charge of that station is news to me.

Mr. HAZEN: Has the hon. gentleman taken any steps to ascertain whether the statement in that letter is true or not?

Mr. LOGGIE: No. I am bringing it to the attention of the minister in order to find out whether it is true or not. The company displayed the American flag, and it is a question whether that was the proper thing to do under the present circumstances.

Mr. HAZEN: I do not think it is in good taste.

Mr. LOGGIE: The minister is quite right in that. I was surprised when the minister said that the station was not under the control of his department. I presume, then, it is under the control of the Department of Militia and Defence?

Mr. HAZEN: The station belongs to a private company. The Dominion of Canada has nothing to do with its management. The Militia Department probably censors the messages it receives or sends.

Mr. LOGGIE: I quite appreciate the fact that it is a British company, but the minister must remember that the Government of this country gave that company its license to build a station, and in time of war it is under the control of the Government. In view of that, the Government should have seen to it that the employees were British subjects, and that the messages that go and come were censored.

Mr. HAZEN: There is a censor.

Mr. LOGGIE: Then, I suppose the Militia Department has charge of that station, and I have gone to the wrong minister for the information.

Mr. HAZEN: Yes.

Mr. LOGGIE: According to the statement of the minister, he has nothing whatever to do with the employees, and the Naval Department has not the censorship of the messages.

Mr. HAZEN: The censorship is in the Militia Department. I fancy my hon. friend will have to take the matter up with the Major General.

Mr. MACDONALD: I think my hon. friend has come to the right quarter. It is true that the Minister of Militia has to do with the appointment of the censors; but, if I am not mistaken, the wireless telegraph people operate by virtue of licenses granted by the Department of Naval Service. The control of those wireless offices, particularly in war-time is a matter of public interest, about which the department which grants the licenses should have something to say. I remember in the last Parliament, when hon. gentlemen opposite sat on this side of the House, we debated for a whole day a resolution, which was seriously put forward, to the effect that the use of the American flag should not be permitted at all in Canada. I would not go so far as that; but I think in a semi-Governmental institution, particularly in war-time, where for the public safety and in the interest of the nation as a whole, the control over war despatches passing through that station is vested in the Government of the day by censorship and otherwise, it is certainly bad taste to fly a foreign flag, when there are good citizens who may be sensitive about the use of such a flag. The statement is made, in this perfectly reputable paper which the minister approves, that the manager of the wireless station persisted in displaying the American flag above his office door. The writer also alleges that all Canadian and British employees have been discharged and a number of foreigners taken on instead.

Mr. HAZEN: That is not so. Would the hon. member tell me the date of the paper?

Mr. MACDONALD: March 24, 1915. My hon. friend probably received the paper yesterday. There is no question about one of the departments of the Government in war-time exercising some control over messages sent by any wireless station in this country. That particular institution which, to that extent at least, is under Government control, should not fly the American flag or any other flag than the British flag over its door. In the next place my hon. friend has brought forward a matter of serious complaint, that is that the control of the sending and the receiving of wireless messages by this particular station is entirely in the hands of those who are not British subjects. If it is true that those who are British subjects have been dismissed and their places filled by those who belong to a foreign country, that is a proper matter for inquiry, and the minister ought to look into it. The license being in his control, he could stop the sending of despatches at any moment. There ought to be a British flag over that station, and the people who operate there, as far as possible should be British subjects.

Mr. HAZEN: The operators there are all British subjects without any exception, the deputy minister informs me. At one time some Danes were employed there. They are not there now, British subjects having taken their places. That letter may or may not be true. It may be that some man has an inside room, and that he may have a British flag and an American flag in it.

Mr. MACDONALD: The American flag is flying over the door.

Mr. HAZEN: It does not appear that the flag is flying from the building. We will, however, look into the matter.

Mr. A. K. MACLEAN: Would the minister inform the committee in what condition the Niobe was at the outbreak of the war and what officers and crew were on her? If she was put in drydock, what repairs were necessary before she was ready to proceed to sea? And about what date was she fully equipped for sea?

Mr. HAZEN: The ship was in very good condition. Some of her machinery had been disconnected, and there was what you might call a nucleus crew on board. She was put in drydock, and certain work was done connecting up the machinery. She was ready for sea on the 1st of September.

Mr. MACDONALD: When was her crew aboard and the vessel completely manned?

Mr. HAZEN: She sailed on the 1st of September from Halifax and went to Newfoundland, and took on Newfoundland reserves of something like one hundred men who constituted part of her crew.

Mr. KYTE: Does any portion of this vote go to maintain the Niobe and the Rainbow?

Mr. HAZEN: Not during the period of the war. I explained that before dinner.

Mr. KYTE: Are these ships in commission at this time?

Mr. HAZEN: Yes.

Mr. KYTE: Have they fairly well performed their work since the outbreak of the war?

Mr. HAZEN: So far as I know. The Niobe has been based on Halifax, and has been in and out of that port. She renders assistance, I believe, in keeping clear the trade routes. The Rainbow has been on the Pacific coast. She was fully equipped and manned at the time the war broke out. I believe she has given good satisfaction. The Rainbow is a cruiser of 3,400 tons, and the Niobe a cruiser of 12,000 tons.

Mr. KYTE: What is the speed of these ships?

Mr. HAZEN: They are each about 18 knots.

Mr. KYTE: The minister stated that their work was to keep clear the trade routes. I suppose that means keeping trade routes clear of the enemy's ships?

Mr. HAZEN: I suppose that is what the Niobe has been doing. She is based on Halifax. The Rainbow on the Pacific coast was available for any defensive operation.

Mr. KYTE: The minister is confident they could give a good account of themselves should they run across a German cruiser?

Mr. HAZEN: That would depend on the German cruiser they ran across.

Mr. KYTE: The minister is not afraid to allow these ships to get in the way of a German cruiser?

Mr. HAZEN: She probably would not get in the way of any German cruiser on the Pacific, she is so much slower than they are.

Mr. KYTE: All the more likely to get in the way.

Mr. HAZEN: She could not overtake one, but if overtaken she could not get out of the way. She is about the same size and tonnage as the Dresden and the Leipsic, but very much slower.

Mr. KYTE: The minister does not think that the men of these ships would be afraid to give battle to a German cruiser should they meet with one?

Mr. HAZEN: I am confident the men in the navy would not be afraid of anything.

Mr. KYTE: They would be quite confident in engaging a German cruiser?

Mr. HAZEN: I could not tell what is in their mind.

Mr. KYTE: They have not made complaints that the Niobe and the Rainbow were not fully equipped?

Mr. HAZEN: They would not make any complaint.

Mr. KYTE: The minister has no information that they are in any way afraid of the consequences in case of an engagement with the enemy?

Mr. HAZEN: No, I do not think a British sailor would be afraid of anything.

Mr. KYTE: That is quite true. As regards the condition of these ships and their guns and other equipment, they are all that are necessary to maintain an action against an enemy's ship?

Mr. HAZEN: I think that the officers and crew of the Rainbow have acted with all possible courage, and if they had got into an engagement with a German ship they would have conducted themselves in a way to make us and the British Empire proud of them. The same is true of the officers and crew of the Rainbow, they would discharge their duties with unflinching courage. In naval warfare to-day much depends on the ship you run across. A ship of lighter armament and with smaller guns is at a disadvantage in an engagement with a ship more heavily armoured and with guns of longer range. The guns on the Niobe, while of the same calibre as the guns on the Dresden and Leipsic would not carry so far. They are guns of an older type. So, she might be hit at a range so long that she could not strike the ship engaging her.

Mr. KYTE: Are these ships equipped with the same guns as before 1911?

Mr. HAZEN: I think so.

Mr. KYTE: The minister has not taken any step to strengthen the equipment?

Mr. HAZEN: No. I think the hon. gentleman does not quite understand. These ships are placed at the disposal of the Admiralty and are to-day absolutely controlled by the Admiralty; we do not interfere with the orders in any way. If the Admiralty should make a representation to us that further armament was required, I presume we should take steps at once to meet their wishes.

Mr. KYTE: What other defences are there on the coast of British Columbia in addition to the services rendered by the Rainbow.

Mr. HAZEN: There are two submarines, CC-1 andCC-2.

Mr. KYTE: Owned by this Government?

Mr. HAZEN: Yes, but like the other vessels, controlled by the Admiralty.

Mr. KYTE: What additional defence is there on the Atlantic coast?

Mr. HAZEN: I should not have said that the submarines were the only additional defence on the Pacific coast. Canada owned some small boats, and these are in use. We have also had a number of British vessels on the British Columbia coast, such as the Newcastle, and two Japanese cruisers, which have been acting in concert with the naval authorities at Esquimalt. On the Atlantic coast as the hon. gentleman probably knows, a number of the vessels of the British Navy are based on Halifax and are in and out of that harbour during recent months, the Lancaster, the Essex and the Suffolk; and I understand that at one time the Princess Royal, one of the largest vessels of the British Navy, a vessel of the battle cruiser type, with most modern armament and capable of a speed of over thirty knots an hour, visited Halifax.

Mr. PARDEE: Has one of the submarines of the Canadian Government been in dry-dock?

Mr. HAZEN: One had to have some repairs because on one occasion she struck the bottom. We receive daily reports as to what they are doing and they are both in the very best possible condition.

Mr. SINCLAIR: I understand that the Niobe was repaired last summer or autumn, about the time that the war broke out, and that she was ready for sea in September.

Mr. HAZEN: She sailed on September 1.

Mr. SINCLAIR: How much was expended on the repairs which were made to the Niobe on that occasion?

Mr. HAZEN: Somewhere in the vicinity of $25,000.

Mr. SINCLAIR: What repairs were made?

Mr. HAZEN: The amount which I have stated includes all repairs, dry-docking and everything else. There was nothing specially wrong with her; she was put in dry-dock chiefly as a measure of precaution, in order to see that everything was in proper shape before she sailed.

Mr. SINCLAIR: When had she been in dry-dock previously?

Mr. HAZEN: Not since the time she met with an accident in coming from Yarmouth. At that time extensive repairs were made; I think she had not been in dry-dock from that time until just before she sailed.

Mr. SINCLAIR: 1913?

Mr. HAZEN: That was in the summer of 1911.

Mr. MACDONALD: A great number of Canadian vessels are employed in the Government service in and about Halifax harbour at the present time; in fact Halifax has become once more a naval station, as it was in the olden days. In addition to the vessels of the Imperial navy, Canadian vessels, which for the time being are engaged in the naval service, are operating in that vicinity. I suggest to the minister that seafaring people of the Maritime Provinces should be encouraged to serve on these ships.

Mr. HAZEN: The Margaret, which was a customs boat; the Canada, and the Tuna, which was presented to us by Mr. Jack Ross, are all manned by Canadians. The Canada is officered and manned by the same men as made up her crew when she was taken over and put into the naval service. The same is true of the Margaret. The Margaret was built in the Old Country for the Customs Department, and was handed over to us for naval purposes. These boats have all been of great service along the river and gulf of St. Lawrence, off Halifax, in the Atlantic and in the Bay of Fundy. The members of the crews are all Canadians.

Mr. MACDONALD: That is true, but what I mean is that these crews could be made the nucleus of a naval service. The men could be enlisted, as it were, into the naval service for such term of years as usually applies to such cases. I heard the minister suggest that on account of the difficulty of obtaining naval instructors, proceedings in the way of forming a naval reserve had been somewhat retarded in the West. I am suggesting that on account of having these vessels on active but not dangerous service, an opportunity arises for taking the course to which I refer.

Mr. HAZEN: When the three vessels to which I have referred were handed over to the naval service, we could not retain the men who were on them, because the service is a voluntary service. The men nearly all volunteered, however; they have signed articles to continue during the period of war if it does not last longer than three years, so that they are all enlisted as regular members of the navy at the present time.

Mr. MACDONALD: The course I was suggesting has been anticipated by my hon. friend, and to that extent we have in the crews of these three vessels, seamen of the Canadian navy. I am sure that the action of Mr. Jack Ross in purchasing the steamer which he did and in presenting it to the Canadian Government, himself volunteering for service in connection with its operations, is deserving of some remark by this committee and the House. I have no doubt that the minister will cheerfully and cordially endorse any complimentary remarks that may be made in that respect. I happen to know Mr. Ross very well, and am in a position to speak of the admirable spirit which he displayed in connection with the whole matter and the very laudable ambition which animated him and still animates him to do something, if possible, to assist Canada and the Empire upon the sea. I know that the extent to which his efforts in that direction would go is limited only by the opportunities afforded him to carry his ideas into effect. The vessel which he handed over to the Government, together with the others which are engaged in that service, are doing good work in connection with the operations in Halifax and vicinity.

Mr. HAZEN: I fully agree with what my hon. friend has said about Mr. Ross. This is not Mr. Ross's only patriotic act since the war broke out; no citizen of Canada has shown a more patriotic desire to advance the cause of Canada and of the Empire at the present time than he has. I had intended making reference to this matter on Monday, when the War Bill is before the House.

Mr. MACDONALD: I trust that the minister will not feel that I anticipated in any way the formal statement which he intended to make in that regard. It might be well to note the facts in regard to the position of the Niobe of which there has been a great deal of misunderstanding. I find by the Naval Annual that the Niobe is a vessel of 11,000 tons displacement, has an armament of 16 6-inch guns, 12 12-pounders; 3 3-pounders and 2 machine guns. She is of exactly the same age, size and armament as the Ariadne, a vessel which, if I mistake not, under very gallant leadership, was especially conspicuous in the attack made on Heligoland at an earlier period of the war. She is also larger than the Berwick and the Cornwall.

Mr. HAZEN: The hon. member, I think, is mistaken; it was the Ar-thusa.

Mr. MACDONALD: The Ariadne was also engaged at an earlier period of the year.

Mr. HAZEN: No.

Mr. MACDONALD: The Arethusa may have been the flagship of Admiral Beatty, but the Ariadne was employed in attacks at the time.

Mr. HAZEN: I do not think so.

Mr. MACDONALD: She was distinctly mentioned in the press at the time. It would be wise to notice the statements contained in the Naval Annual in order to make comparisons of the size and equipment of the Niobe with many of the vessels engaged in naval warfare on the other side. I am glad to note that the minister tells us that the Niobe, when sent out to sea on December 1, was fully equipped and in a position to take her part, together with the vessels of the Imperial navy that have been on our trade routes since that time. Having been at Halifax frequently since the war began and having met naval officers who have been on British vessels that have been there, I happen to be in a position to know something of the services which have been performed but have not been published for the very reason that the operation of these vessels is not made public in the public interest. That what Canadian vessels we have on the Atlantic coast have been a factor, in conjunction with other vessels coming from the other side, in keeping the north Atlantic clear of German cruisers is, I am sure, a matter of gratification to every one.

Fisheries protection service—to provide for the repairs and maintenance of the fisheries protection steamers, $375,000.

Mr. KYTE: I have received the following resolution passed by the municipality of the county of Richmond, N.S.:

Arichat, Nova Scotia,
February 27, 1915.

In the Municipal Council, Municipal County of Richmond, Jan. 16, 1915.

Resolved, that the Minister of Marine and Fisheries be memorialized by this council, to take active steps to prevent the further depredations of beam trawlers operating at night in the waters of this municipality; further

Resolved, that the minister be implored to establish a patrol to check the open violation of the federal regulations by these encroachers; and further

Resolved, that copies of this resolution be forwarded to the Hon. J. D. Hazen, Minister of Marine and Fisheries, to the federal representative, and to Messrs, J. C. Douglas and R. H. Butts.

D. H. Campbell,
Municipal Clerk.

I would ask the minister if he has received a copy of this resolution?

[Mr. Macdonald.]

Mr. HAZEN: Yes, a copy of the resolution, I think, was received in the department.

Mr. KYTE: This is a matter which deeply concerns the deep-fishing population in the county I represent. The subject has been discussed more or less frequently in this House and in the public press for years. We were assured by the Conservative party when in Opposition that they fully appreciated the damage which has been inflicted upon the shore fishermen in the province of Nova Scotia by these beam trawlers, and they announced by resolution at various meetings that, should their party come into power, they would take immediate steps to prohibit the use of these trawlers in the waters of the Maritime Provinces. I very much regret that their depredations are still being continued. I wish the minister would give us some assurance to-night that steps will be taken in the immediate future to prohibit the use of beam trawlers upon the coast of the Maritime Provinces.

Mr. HAZEN: Last year we had only two complaints in regard to trawlers having been within territorial waters. We at once carefully investigated these complaints, and the result of the investigation showed that they had not been within the three-mile limit. That, however, is not exactly what the fishermen want; they want the trawlers kept at a greater distance from the shore. If they get inside the three-mile limit it is because we do not give proper protection; but if some arrangement could be made to keep the beam trawlers a greater distance off, the fishermen believe it would be to their interest. We took this matter up with the fishery authorities of the United States and Newfoundland, and steps were taken in both countries to ascertain the effect of this beam trawling. That information has been obtained within the last two weeks. We have received a communication on the subject, and we believe that within a short time it will be possible to have a conference of representatives of the United States, Newfoundland and Canada for the purpose of discussing this question and seeing what steps can be taken, by mutual arrangement, with regard to the evil complained of. That, however, leaves out of consideration the French trawler which comes across the ocean, and is absolutely within its legal right in doing so. I intended to make a statement to the House explaining the whole matter; I am having the statement prepared now, so that it may be perfectly accurate, as the matter is one

of international importance, and I shall make that statement to the House before prorogation.

Mr. KYTE: I brought the matter up to-night because, as the minister knows, we are very busy with committees, and I feared I might not be present when it came before the House again.

Mr. SINCLAIR: There is one phase of the matter which I would like to draw to the attention of the minister. He will remember that in February, 1913, he introduced and put through the House a Bill relating to the fisheries. In introducing the Bill he stated that in his opinion this Bill would do a great deal in the direction of stopping foreign steam trawlers from operating, not in Canadian waters, but in the waters outside of our three-mile limit. My hon. friend (Mr. Hazen) made the following remarks when the Bill was in committee.

I explained, in introducing the Bill, the conditions which I thought made this Bill necessary. But, let me make it clear again what difficulties are to be overcome. The effect of this measure will be to provide that a foreign vessel shall be forfeited if found inside the three-mile limit and preparing to fish, even though the department cannot prove that the preparations were made with a view to fishing within the three-mile limit.

Mr. Sinclair: What foreign vessels are fishing in Canadian waters, outside of American vessels?

Mr. Hazen: None, but it is not uncommon to find vessels without license inside the three-mile limit and making preparations to fish. Under the law as it stands, we cannot punish them unless we can prove that they were preparing to carry on fishing operations inside the three-mile limit.

Further on he says:

But while we cannot prevent this, we can make laws to prevent the ports of Canada being made the base of operation of these trawlers from across the seas. And this Bill, I think, is the first step in that direction, and will have a considerable effect in preventing trawlers being fitted out to cross the seas and to enter into competition unfairly with our fishermen—because the fisherman of France is paid a bounty on the fish he takes and carries back to France in a cured condition. So, while this Bill will not prevent steam trawling, it will operate in the direction of preventing the ports of Canada being made a base for the fitting out of these beam trawlers to engage in operations in the waters about the shores of Canada and on the Banks.

This announcement of the minister two sessions ago was received with a great deal of delight by the fishermen on the coast of the Maritime Provinces. They felt that the minister was taking a very important step, and that as French trawlers were to be prohibited from using Canadian ports for coaling and making preparations to fish on the Banks, those trawlers would necessarily be prevented from carrying on their operations on the Banks. The minister knows that the great menace to our deep-sea fishing is the French trawlers, that a large number of them fish on the same banks as the Lunenburg fleet and vessels from other ports in Nova Scotia, that after our fishermen have set out their lines the French trawlers come along in the night and destroy them. In the morning the fisherman finds that his gear is gone, he does not know who has struck him. This is almost fatal to the success of our Bank fisheries. It is such a vital question in the Maritime Provinces that there was great rejoicing among the fishermen when the minister decided to take this stand. I was curious to see what would happen, but I was informed in the following year that the Act made really no difference at all, that the French trawlers still came into the ports of North Sydney and Louisburg, coaled, cleared from the customs, and departed without a word being said to them. They have been carrying on their operations for the two seasons since the Act was passed without any steps being taken by the minister or the Government or anybody else to prevent them. At the last session of Parliament I moved for a return of the vessels of this character that had called at the port of North Sydney and cleared for the fishing grounds. I do not need to produce it in the House, but I can if anybody wishes to see it. It shows a long list of French trawlers that had fitted up and obtained coal and supplies in Sydney and Louisburg, and then cleared for the fishing banks to carry on their operations, without any attention being given to the Act which we thought was going to keep them out. At the present session on the 18th February, I asked the following question, which appears on page 263 of Hansard.

Mr. Sinclair:

1. Have the provisions of chapter 14 of the Act of 1913 been enforced as against foreign trawlers who make Canadian ports a base for their fishing operations?

2. If not, why not?

Mr. Hazen:

1. Yes.

2. Answered by No. 1.

I was surprised to get that 9 p.m. answer, and thought that my hon. friend in giving it must have been misled; so I followed the matter up with another question a few days later.

Mr. Sinclair:

Have foreign steam trawlers been permitted to purchase coal and supplies at the Port of North Sydney, N.S., since the passing of Chapter 14 of the Acts of 1913?

Mr. J. D. Reid. Yes. The present collector at North Sydney says French steam trawlers have been permitted to purchase coal and supplies at the port of North Sydney, N.S., since he has been in office.

I got that answer on the 22nd February, this year. It contradicts the answer given by my hon. friend the Minister of Marine and Fisheries a few days before, but I assume that the first answer was a blunder, because there is no doubt that French trawlers have had the free run of Canadian ports since that Act was passed. This is a great disappointment to the fishermen of the Maritime Provinces, who expected some relief from that measure, and I wish to bring the matter to the attention of the minister. I also wish to remind him of what my hon. friend from Richmond (Mr. Kyte) said, namely, that the party of hon. gentlemen opposite, in Nova Scotia at all events, took very strong ground on this question when they were out of power. They took the ground, and not only in Nova Scotia, but in the House here, that the late Government had not taken sufficient interest in the fishermen in regard to this question of steam trawling. It will be remembered that steam trawling was first commenced on the coasts of this country in 1908. Within two or three weeks of the arrival of the first trawlers along the coast of my own constituency, an Order in Council was passed prohibiting the operations of steam trawlers in the bays and harbours and within three miles of the coast of Canada, both east and west. That regulation has been fairly well enforced, although I understand that in certain sections it has not been absolutely enforced. The difficulty in enforcing the regulations is that these trawlers work in the night, when it is almost impossible for the cutters to watch them. But the regulation was a good one, and went a long way in the direction of assisting the fishermen. But of course it did not relate to the deep-sea fishing, which is a very important part of the industry. At a convention of the Conservative party held at Truro in 1909, a resolution was passed to the effect that if the Conservatives came into power they would introduce measures to prevent steam trawling not only in Canadian waters, but outside of Canadian waters; and when my hon. friend introduced his Bill we thought it was in redemption of that pledge. And I must say to my hon. friend that there was a great deal of disappointment when it was realized that the Act had been wholly inoperative during the two years after it was passed, and that no attempt at all had been made towards putting it into force.

Mr. HAZEN: When the Act was introduced I remember the speech I made and also the discussion which took place. I certainly hope we may find a way by which we can minimize the effect of the French trawlers making ports in Canada the bases for their operations, the purchase of supplies, and things of that sort. The hon. gentleman will remember that the Act referred to prevents vessels, other than those having a right by treaty, from coming into Canadian ports. When the Act was passed in 1913 representations were made by the Government of France, through their Consular Agent in Montreal, who contended that, as under the treaty with Japan the Japanese fishermen had the right to come into our ports for certain purposes, and that, as France was a favoured nation, we could not exclude French trawlers from our ports so long as the Japanese treaty was in effect. This gentleman argued that matter very strongly, and I submitted the question to the Minister of Justice and had several discussions with him and with the Consul of France. The result was that the Justice Department were of the opinion that, in view of the Japanese treaty, it was practically impossible for us to enforce this Act of 1913 because of the fact that France was a favoured nation and must be accorded the same rights as those which were given to Japan under the treaty to which I have referred. I think that whoever prepared the answer which my hon. friend refers to, and which was done in a hurry and without consideration, evidently had in mind that the Act had been carried out as far as it could be with regard to all countries except those which had treaty rights. That is the difficulty that we have come up against, and it is a difficulty that it seems impossible to overcome as long as that treaty with Japan remains in existence. My hon. friend knows how in making all these treaties there is what is called a favoured nation clause under which, if any favour is given to a nation, the same advantage has to be given all other nations which have favoured nation clauses in any treaties which they may have entered into with us. That is the difficulty that confronts the

department in dealing with this question. There is another way in which I am trying to deal with it and I hope it will work out in a few days. I am getting the opinion of the Department of Justice and of the Department of Customs and I trust it will give some measure of relief.

Mr. SINCLAIR: I am afraid that if we succeeded with the United States and Newfoundland the French trawlers come in such large numbers that the effort would be useless.

Mr. HAZEN: The difficulty of the French trawlers could be minimized to some extent by international regulations if the different nations would enter into them. In the North sea, where they have immense numbers of trawlers, there are regulations. There is a North Sea Convention, entered into by the Governments of all the countries with the fishermen who go to the North sea, that has proved to be very efficacious there. To-day there are regulations as to the territory which shall be fished over, those regulations are laid down for the governing of everybody who fishes in the North sea, and each nation supplies a vessel for the purpose of patrolling the district and seeing that the regulations are enforced. If this could be done the difficulty which is experienced on the banks when the trawlers are fishing, and the danger under which the boat fishermen labour of having their nets and gear destroyed by the trawlers, could be very much minimized. I think we have got to the point now where we can get a convention of that sort so far as the United States and Newfoundland are concerned. I agree with my hon. friend that there is some difficulty in regard to the French fishermen who come over every year to ply their calling on the banks of Newfoundland. If the Newfoundland Government and the United States Government enter into an agreement of this sort it may be possible to bring moral pressure upon the French Government as well to agree to the passing of regulations of that sort and to enter into an agreement to that effect. That is the only remedy I can see except the measure, not so far reaching, which I hope to bring before the House. The Act of 1913 prevents any foreign fishing vessels "not permitted by treaty or convention" from entering our ports. It is these words that have made it so difficult for us to enforce the Act as against France. At the time that I introduced the Bill I did not foresee the difficulty, and nobody in my department foresaw it. Neither did the officials of the Justice Department. We did not have the Japanese treaty in our minds.

Mr. SINCLAIR: It would be interesting if the minister would place the opinion of the Department of Justice on the table so that we might have an opportunity of reading it, or place it on Hansard when he makes his statement.

Mr. HAZEN: I have no written opinion from the Department of Justice. The matter has been discussed verbally between the Minister of Justice, the Deputy Minister of Justice, and myself, but no written opinion has been given to us. Perhaps I should not say that an absolute opinion has been come to, but the opinion they had upon it was that it would not be desirable for us to proceed to enforce the law in view of the Japanese treaty. It is desirable to have the opinion, but perhaps it is not well to press an opinion of that sort too strongly at the present time.

Mr. SINCLAIR: If we have any legal rights it is well that we should know it. In dealing with this question I think the proper course would be to reserve certain territory at sea in which steam trawling would be absolutely prohibited. We cannot expect to get the French nation, or any foreign nation, to agree that the whole Atlantic ocean shall be withdrawn from the operation of fishing vessels.

Mr. HAZEN: But we might get them to agree to regulations.

Mr. SINCLAIR: The gulf of St. Lawrence, which is the great breeding ground of the fish, might be reserved. I think that would be a reasonable request. The gulf of St. Lawrence is surrounded by British territory, and it is really an inland sea belonging to Canada. It was a great misfortune, when these bays were defined in the convention at the Hague, that the gulf of St. Lawrence was not included among Canadian waters. If the gulf of St. Lawrence could be withdrawn from the use of steam trawlers that would be a great step in advance. But the place where they are operating most is at the Banks. Would it not be a fair proposal to ask that the Banks should be withdrawn from the operation of trawlers? There are certain areas along the coast of Nova Scotia that I think might be regarded as the breeding grounds of cod and haddock, and we might fairly ask that these be withdrawn from the operation of trawlers in the

same way that the sealing question has been dealt with on the Pacific coast. It has been agreed by Japan, the United States and Great Britain that seals shall not be killed in certain waters. Fish are just as important. If my hon. friend, in dealing with this question, can succeed in withdrawing these waters from the use of steam trawlers and allow the trawlers to operate in the rest of the Atlantic ocean, he will have taken a great step forward even if he cannot go any further. If there are any documents to show what the legal position of this question is I would like to see them. If there are any reports or communications from the United States which my hon. friend can place on the table at the time he addresses the House on the question, they will also be very acceptable.

Mr. A. W. CHISHOLM: The minister stated that his department had received only two complaints last year in regard to a violation of the regulations prohibiting the operation of steam trawlers within the three-mile limit. When he makes his statement to the House, has he a statement to make with respect to that question also, and does he desire that I do not discuss it now?

Mr. HAZEN: I am quite willing that my hon. friend discuss it now.

Mr. CHISHOLM: I am not particularly anxious to do so, but I do not know whether or not the minister wants us to discuss it at this stage.

Mr. HAZEN: I do not want to shut off discussion at any stage.

Mr. CHISHOLM: Shall I have an opportunity when the minister makes his statement?

Mr. HAZEN: Yes.

Fisheries protection service—to provide for new vessels, $30,000.

Mr. HAZEN: This vote is for the fisheries protection service on lake Erie. The department, in order to carry out efficiently the fisheries protection work on lake Erie, considers that a vessel is required to work in conjunction with the Vigilant, now employed on that service. Inquiries have been made into the matter, and it has been decided to obtain a small vessel which will be more suitable for work around the islands at the end of the lake. It is also proposed to build such a vessel, and designs and specifications have been prepared by the naval architect.

[Mr. Sinclair.]

Mr. MARCIL: Is she to be built in Canada?

Mr. HAZEN: Yes. The policy of this Government is to build all our vessels in Canada.

Mr. MARCIL: Under contract?

Mr. HAZEN: When I say "under contract," there are some vessels that we build at the shipyards at Sorel. We have a great many men employed there doing repair work, and I think the work is being very well done.

Hydrographic surveys, including the survey of Hudson bay, $390,000.

Mr. HAZEN: The details of this expenditure are: James bay, $30,000; lake Ontario, $30,000; lake Superior, $30,000; the lower St. Lawrence river, $50,000; the Pacific coast, $100,000; the Atlantic coast, $70,000; harbour surveys, $20,000; automatic gauges, $25,000; general amount, $35,000.

Mr. SINCLAIR: How much for Hudson bay?

Mr. HAZEN: We have done a considerable amount of work in Hudson bay. We have port Nelson charted and the waters outside port Nelson. We have also charted part of the lower portion of James bay, and the work there has been proceeded with. There is more work, of course, that will have to be done in the future, but very good progress has been made. There is great necessity for work on the lower St. Lawrence and also for work on the Atlantic coast at the present time.

Mr. SINCLAIR: What is the depth of water at port Nelson?

Mr. HAZEN: I cannot tell my hon. friend, because I have not the chart here.

Mr. SINCLAIR: What size of ship can come into port Nelson without dredging further?

Mr. HAZEN: At high water vessels can come in that draw from 20 to 25 feet. There is one point where at low water there is only 20 feet of water. A vessel of greater draught than that would have to wait until high tide before coming in.

Mr. SINCLAIR: What tide is there?

Mr. HAZEN: Seventeen feet.

Mr. OLIVER: Is the survey at port Nelson merely with a view to acquire a knowledge of the conditions as they are, or is it being made with a view of the improvement

of those countries in the way of creating a harbour?

Mr. HAZEN: The hydrographic survey is for the purpose of obtaining accurate knowledge of conditions as they are. It has nothing to do with the work of building or enlarging or dredging harbours; but it affords information that is available to every shipmaster visiting the port, and also information of which the department, which has to do with the management and building and creation of harbours, can avail itself, in order to know what should be done to render the port safe for navigation. The information we have is available to the Department of Railways and to the Department of Public Works. The Department of Railways is carrying on the terminal works at Port Nelson in connection with the Hudson Bay railway. The object of the hydrographic survey is to have accurate charts so as to show the mariners just what the conditions of the waters are along the coast and in the harbour.

Mr. OLIVER: Is the minister able to say in short terms to the committee what is the condition of access to Port Nelson at the present time?

Mr. HAZEN: I cannot do so with any degree of accuracy without having the chart here. I shall be very happy to send copies of the chart to my hon. friend.

Mr. OLIVER: I should be very glad to have them, and I would appreciate the courtesy of the minister in sending them. That, however, is hardly the point to be arrived at. I am quite aware that the minister will say, as he has already said, that if we want information in regard to the projects of the Government regarding Port Nelson, we must apply to the Railway Department; but from the fact that the Naval Department has information as to conditions as they are, it must be possible to draw from a knowledge of those conditions what improvements will be necessary in order to establish Port Nelson as a suitable ocean port. It is not a matter of idle curiosity; it is a matter of very far-reaching importance to the people of the prairie West, particularly in view of the criticisms that are being made from time to time with regard to the project of the Hudson Bay railway.

Mr. HAZEN: The hon. gentleman will find in the report of the Department of Naval Service for the year ended March 31, 1914, the report of Captain Anderson, the man in charge of the Hudson bay party which gives considerable information. Part of the report reads as follows:

> During the period from 20th August to 10th October, surveying operations were carried on with a view to delineating the southeastern approach from a point outside of cape Tatman. The shore line was traversed from abreast Marsh point beacon to a point ten miles east of cape Tatman, a distance of 40 miles. For this purpose a shore party was landed, consisting of an officer and four men, a gasolene dory being used to transport the camping outfit. Steel buoys carried flags 20 feet above the water, and visible about eight miles in clear weather, were used to fix the soundings and cut in the shore line. The first buoy was placed in 21 feet of water, off the entrance channel to Port Nelson, N. 3° W., 11 miles from Marsh point beacon, and making a good mark for picking up the channel, besides being a survey point. The remainder of the buoys were placed from four to seven miles apart and the same distance off-shore, the last one lying off cape Tatnam.

We are placing buoys for the purpose of guiding any one going into the harbour. The report does not give the information that my hon. friend wants. The chart shows the depth of water at every point straight along the entrance to Port Nelson harbour. The report also gives the ice conditions last year at Hudson straits, and a lot of information that will be interesting to my hon. friend.

Mr. NESBITT: Has the report been sent out?

Mr. HAZEN: Yes. Every member has it.

Mr. NESBITT: Did you find any depth of water suitable for a harbour at the lower end of James bay.

Mr. HAZEN: There is plenty of depth of water in the lower end of the bay. If my hon. friend would like to see the charts, we will send them to him.

Mr. OLIVER: Which is the lower end of the bay, the southern?

Mr. HAZEN: I should say the southern end. The James bay survey was in charge of Mr. Jobin, who left Ottawa on the 18th of April and went down the Moose river from Cochrane, Ont. His instructions were to survey the mouth of the Moose river and a portion of the East coast of the bay to ascertain if a harbour could be found at Snake point. He was successful in finding what might be made a very fair harbour. Moose river empties into the bay at the lower end.

Mr. W. H. SHARPE: Has anything been done about the navigation of the straits?

Mr. HAZEN: Yes, we had a party there last year. That comes under the marine vote. My recollection is that we have had twelve beacons placed in the straits and a wireless telegraph station established at Port Nelson and one at Le Pas, and provision made for a wireless telegraph station on the straits to communicate with Port Nelson and Le Pas.

Mr. SINCLAIR: Has the minister any plans to increase the number of wireless stations on the coast of the Maritime Provinces?

Mr. HAZEN: I would be glad to tell my hon. friend privately. Certain work has gone on there in connection with the war which it is not desirable to make public.

Mr. MARCIL: What is the experience of the navigation of Hudson straits; how long is the navigation season?

Mr. HAZEN: I do not profess to give exact information. Last year was an unusually bad season in the straits; navigation conditions differ there from year to year. I find it stated here:

The serious ice condition found at the west entrance to Hudson strait, north of Mansel island, during October, is most exceptional and hard to account for. There is little or no tide and current at this point, and a mass of ice once caught would be very likely to remain. As a rule the Fox channel ice never remains long during the season, but passes out of the strait.

That is, the ice from the north.

During the summer of 1912, little or no ice came down, being a fine calm season, and even on the 2nd November the Minto found no ice in this passage. On the contrary, during the past season, extremely and exceptionally heavy northerly winds prevailed, which would have a tendency to carry a great quantity of ice down. An ordinary freight vessel could not for a moment have attempted a passage when the Acadia passed out.

There is no information on hand concerning the passage south and east of Mansel island, and it may possibly have been clear of ice. When the Acadia arrived off the north end it was rather late in the season, and too expensive on coal to risk a trip around to explore. If the navigation into Hudson bay and and straits warrants the expense, by operating a powerful tug equipped with wireless in connection with a wireless station on the north end of Mansel island, masters of ships could be kept informed regarding the ice conditions, and conduct themselves accordingly.

Mr. MARCIL: Would the navigation season last for three months?

Mr. HAZEN: I do not like to speak definitely, but I do not think it would be three months on the average.

[Mr. W. H. Sharpe.]

Mr. MARCIL: Would the season be in June, July and August?

Mr. HAZEN: No, later than that. Sometimes navigation may commence in July, but it is usually August, and may continue during September and October.

Mr. MARCIL: What is the nature of the ice encountered—icebergs?

Mr. HAZEN: Sometimes the place is filled with ice, so that a vessel would have to cut its way through. I have a picture on my desk of the Acadia taken in August last in the straits, and there is ice all around it. Conditions last year were worse than usual.

Mr. W. H. SHARPE: How long was Captain Anderson up there last year?

Mr. HAZEN: He appears to have reached Port Nelson on August 19. He left Port Nelson October 19 for Halifax and the remark is entered in the report that Port Nelson harbour was full of ice. I find that the Bellaventure arrived there August 10 and departed August 22, for Halifax. The Sinbad arrived September 4 with coal and left October 1 for Sydney, but returned again on October 8, as the passage was blocked by ice. The Alette arrived on September 13 with scow and lumber. She departed from Port Nelson October 7, but returned again October 14 in a sinking condition, having been damaged by ice off Mansel island. The ship was beached and the crew returned in the Government steamer Acadia.

Mr. NESBITT: Was there much field ice there in August?

Mr. HAZEN: The report does not state that. A very good account is given of the trip of the Bellaventure. It is as follows:

This steamer completed two round trips to Port Nelson during the season.

Icebergs were first seen off cape Ray on the 9th of July, and ice was more or less in sight during the remainder of the trip. The first field ice was encountered shortly after passing Belle Isle on July 11, and course was laid outside the ice fields, passing about 150 miles off the Labrador coast.

Hudson strait was entered, rather towards Resolution island, on July 18, and shortly afterwards heavy northern ice was encountered, which made progress very slow, taking six days to cover 75 miles. The ice-pack opened and closed with each successive tide. Heavy winter ice was entered on August 4, in latitude 59° 35′, longitude 91° 48′, about 75 miles off Churchill, and cleared on August 8. The ship came to anchor in Port Nelson on the 10th.

Fourteen out of the thirty-four days taken for the trip up were foggy.

On the return trip, Nelson was cleared Aug-

ust 22, and the first iceberg was seen off cape Wegges, August 25. Numerous icebergs were seen, but no field ice, and dense fogs prevailed off the Labrador coast, passed at a distance of 50 miles.

On the second trip, Sydney was cleared on September 7, with the dredge Port Nelson in tow. Numerous icebergs were seen off the Labrador coast, passed at a distance of 50 miles. The first field ice encountered was north of Mansel island, on September 23, and cleared the same day, arriving at Port Nelson on the 28th.

The weather on the whole was fine. On the return trip, Nelson was cleared on October 13. Heavy field ice was found south of Coates island on the 15th; however, a clear passage, 5 miles in width, was found north of Mansel island, and the field ice extended past Digges islands. The freighter Sinbad was accompanied until the ice was passed, on the 17th.

Many icebergs were seen, and dense fogs prevailed off the Labrador coast, passed at a distance of 75 miles. After passing Belle Isle on October 22, the weather was clear, and very few bergs were seen.

Weather for the trip: Fine, four days; rain and snow, three days; fog, three days.

Summary of weather for the two round trips: Fine, 55 per cent; rain, 19 per cent; fog, 26 per cent.

Mr. OLIVER: In what season was that trip made?

Mr. HAZEN: In the season of 1913.

Mr. SINCLAIR: They appear to have encountered ice every month.

Mr. HAZEN: Yes.

Mr. SINCLAIR: What happened to the dredge that was wrecked in Hudson bay, about which we heard something at the last session of the House?

Mr. HAZEN: I always understood that it was not wrecked. The Minister of Railways can give you more accurate information than I can.

Mr. MARCIL: I suppose very little business is done at Port Nelson at present?

Mr. HAZEN: Fur trading may be carried on to some extent but, I should think, nothing else.

Mr. W. H. SHARPE: I must say that I am very much disappointed at the report which the minister has just read. I have taken a very great interest in the Hudson bay route; I have read almost everything in connection with it that I could get my hands on; but this is certainly the most discouraging report that I have seen or heard. I have talked with men who have been there; I have read reports made by men who have been in that country for twenty-five or thirty years, a great many of whom assert that Hudson bay and the Hudson strait are open to navigation for eight to ten months in each year. I believe that their reports are absolutely correct. Captain Anderson has not given us a fair deal in the report which he has made in regard to the Hudson bay route.

Mr. OLIVER: So far as the navigation of Hudson strait is concerned, that is a matter that we have to leave to Providence; we cannot change it, and the best we can do is to take it as it is and make the best we can of it. As to whether navigation is open for one month, two months, three months or six months, that is not the point. The point is that the trade of a vast country has been carried through those straits for a period of 200 years and can be carried through them for 200 years longer, if facilities corresponding to the requirements of advanced civilization are provided. What can be controlled are the facilities for reaching the bay and the harbour facilities at the bay, and it is in regard to that matter that we ask the minister for information. How far from the shore line does the general depth of the water become sufficient for floating large vessels?

Mr. HAZEN: I think the deep water is some distance out; I do not know how many miles.

Mr. OLIVER: My information is that it is a very considerable distance out.

Mr. HAZEN: It is all on the chart.

Mr. OLIVER: I am quite aware of that, but the point I want to make is this. The information on which I have based my opinion is that the difficulties in the way of making a harbour at Port Nelson are very great, while there is at Fort Churchill a natural harbour, requiring practically no expenditure in order to give facilities for loading and unloading vessels of the greatest draught. I have not in any way found fault with the Government for making the choice of Port Nelson as against Fort Churchill, but I want to get plainly before the committee and the country the fact that in doing so they gratuitously laid upon the enterprise of the Hudson Bay railway a vast and unnecessary burden. Having done this, I think it is their business to take such measures and to make such expenditures as will make Port Nelson a suitable port for carrying on the traffic of Hudson bay. I have been anxious to know what the plans of the Government are in regard to that

port; how long it will take to complete these plans and what the expenditure upon them will be. I am quite aware that these questions are not to be addressed to my hon. friend, but as he has already said that the information acquired by his department is the information upon which the Public Works Department and the Department of Railways must base their plans, I would, have thought that it would be within his knowledge as to whether the Government of which he is a member have made such plans, and, if they are adequate, how long they will take to complete and what their cost will be; or if the fact is that we are committed to the establishment and creation of a port at Port Nelson without any such plans having been formulated or without any such estimate of expenditure having been made, or any period of time having been decided upon for the completion of this work. I am as strongly in favour of the Hudson bay road as the hon. member for Lisgar (Mr. W. H. Sharpe) or anybody else. I believe that the welfare of the West is intimately dependent upon the successful completion of the railway and port and the successful operation of the road. My fear is that unless this question of the port is taken hold of and handled energetically and the work completed adequately and in good time, the whole project will be unduly discredited, not because of the natural features but because of lack of due consideration in dealing with this port question, a question which need not have arisen if the railway had been carried to Fort Churchill. Now that it has been decided to carry the railroad to Port Nelson the responsibility is on the Government, and I am desirous of impressing strongly on them the measure of that responsibility, because upon what they do at Port Nelson, the time in which they do it, and the cost of doing it, depends in large measure the success or failure of the Hudson Bay Railway project.

Mr. J. J. HUGHES: How far from the mouth of the Nelson river is it necessary to go out in the bay in order to get say 30 feet of water.

Mr. HAZEN: I could not say without having the chart here. Right in the harbour of Port Nelson I believe there is 30 feet of water.

Mr. HUGHES: The reports from men who have been there are that you have to go a considerable distance.

[Mr. Oliver.]

Mr. HAZEN: Ships of considerable size go in now.

Mr. HUGHES: The Minto could not do that.

Mr. HAZEN: The Minto did so.

Mr. HUGHES: Is that really on record?

Mr. PUGSLEY: I remember talking about the matter with the late Minister of Railways who sent Mr. Armstrong, an engineer, to go over the country very carefully to examine the harbours in connection with the railway, and I understood that he had reported that there was an outlet to Port Nelson, although it was a somewhat tortuous channel. It is one not ordinarily known to navigators of ships who prefer to lie outside and send the small boats ashore.

Mr. HAZEN: That channel is marked with buoys now and the vessels go right in.

Mr. PUGSLEY: No doubt there is a report in the Department from Mr. Armstrong giving full information on the subject.

Radiotelegraph service—to provide for the building and maintenance of wireless stations, $350,000.

Mr. OLIVER: I have heard the minister say he proposed to establish a wireless station on Hudson bay. Owing to the fact that the flow of ice varies from year to year and from time to time within the one season, I would think there should be more than one station.

Mr. HAZEN: I agree that there should be more than one and we have a scheme worked out in the department which provides ultimately for three. We hope to work up to that and within the next three years to establish three stations there.

Tidal stations and surveying steamers, $35,000.

Mr. SINCLAIR: Are those new stations?

Mr. HAZEN: These are small observation stations. They are changed about from year to year. This year many of them will be in British Columbia. This service includes the preparation of tide-tables, etc.

Patrol of the northern waters of Canada, $50,000.

Mr. OLIVER: What is the latest information the Government has in regard to the Stefansson expedition and what are their intentions in regard to it?

Mr. HAZEN: The Karluk sank on January 11. Those who were on board of her before she sank were Mr. Stefansson, Mr. Jenness, anthropologist, Mr. McConnell, meteorologist, Mr. Wilkins, photographer, and some of the crew. The scientific party and crew then camped on the ice.

Mr. MARCIL: Crushed in by the ice?

Mr. HAZEN: Yes. On January 21, 1914, an advance party composed of Alex. Anderson, Charles Barker, John Brady and A. King started from the camp to effect a landing on Herald island. Nothing has since been heard from this party. On February 5, 1914, a second party composed of Messrs. McKay, Murray, Beauchet and Morris left camp. Nothing has since been heard of them. A third party left on March 12, 1914, and landed on Wrangel island. The third party, which reached Wrangel island on the 12th March, was composed of G. Malloch, geologist; S. Mamen, assistant geologist; W. McKinley, magnetician; R. U. Bartlett, captain; John Munro, first engineer; Robert Williamson, second engineer; F. M. Maurier, fireman; L. W. Breddy, fireman; H. Williams, A.B.; R. Templeman, steward; E. F. Chafe, cabin boy; and John Hadley, utility man. This party was under the command of Captain Bartlett, who is well known as a very skilful and experienced navigator in northern regions. All these men, with the exception of Messrs. Mamen and Malloch, who died from nephritis, and Breddy, who was accidentally shot, were rescued by the King and Wing on September 7, 1914, and by the cordial assistance of the United States Government were landed safely at Victoria by the United States revenue cutter Bear. These men left Wrangel island and got over to the coast of Alaska. Captain Bartlett made his way down the coast and got word to us. We immediately got into communication with the United States Government, with the result that the revenue cutter Bear was sent out to bring the men down to Victoria.

Special attention is called by the officer of the department to the heroic behaviour of Captain Bartlett, not only for the manner in which he disciplined those under his command under most trying circumstances, but also for his bravery in journeying over 160 miles of Arctic ice to rescue those who were stranded on Wrangel island. Mr. Stefansson joined the southern party at Collinson point on March 8, as after leaving the Karluk he first made a trip to Herschel island to dispatch mail, and thence to the Mackenzie Delta and Fort MacPherson for the purpose of scientific exploration. The scientific investigations of the southern party carried on during the winter of 1913-14 were most successful. Many new specimens have been obtained and forwarded to Ottawa for further investigation. I may say that since that time nothing has been heard of Stefansson. On March 22, 1914, accompanied by Messrs. Johnston, marine biologist; Mr. McConnell, secretary; Wilkins, official photographer; Bernard, Castleton, Crawford, Starkerson and Anderson, Stefansson started on a trip across the ice for the purpose of taking scientific observations, and of attempting to discover a new land or polar continental shelf. Of these men, Messrs. Wilkins, Bernard and Castleton, returned to camp. Later on Messrs. Johnston, McConnell and Crawford returned and reported that on March 23 the ice broke off and drifted eastward eighty miles in one night. They left Starkerson and Anderson with Mr. Stefansson. That was the last heard of Stefansson. There is a possibility that Stefansson may have got across to Siberia and may be heard from some day. The different parties out there, in fact, everybody going to the north, are keeping their eyes open and doing everything they can to find him. I had a long talk with Captain Bartlett, who came to Ottawa some months ago. He is a most experienced navigator in northern waters, and belongs to a family of experienced navigators. They are Newfoundland people. I think he was with Peary at the time he discovered the Pole. Bartlett thinks there is a possibility of Stefansson being found, if he has not already perished. He says Stefansson was a most experienced and resourceful man who would get along if anybody could. There is a possibility, but I am afraid it is only a possibility and not a probability that Stefansson may be found.

Mr. MARCIL: Is the distance to Siberia very great?

Mr. HAZEN: It is about 1,100 miles from the point where Stefansson was last seen.

Mr. MARCIL: The minister has mentioned several interesting specimens. What do they consist off?

Mr. HAZEN: They have been sent here, but I understand have not been classified by the officers of the Geological Department. When they have been classified they will be put in the museum.

Mr. OLIVER: What part did this Government take in securing the rescue of the party which reached Wrangel island, and were afterwards rescued by the King & Wing ?

Mr. HAZEN: We knew nothing about it until we heard from Captain Bartlett. As soon as he sent word to us we got into touch with all the vessels that we learned were up in the North and with the United States Government and the Russian Government, which have vessels up in that neighbourhood. They at once went to their relief. The department has paid some bills that were incurred by one of these ships in bringing the party across to the mainland. We took immediate and prompt action as soon as we heard from Captain Bartlett and, as I said, communicated with the Russian and United States Governments. The United States Government rendered us very valuable aid with their revenue cutter Bear, which was up there.

Mr. OLIVER: Was the United States Government paid for their services?

Mr. HAZEN: They would not accept anything.

Mr. OLIVER: Was the Norwegian boat paid that actually made the rescue?

Mr. HAZEN: Yes, they were paid. That was the King & Wing.

Mr. OLIVER: Were they paid in a manner creditable to the Government?

Mr. HAZEN: It was certainly satisfactory to them, and I think it was a proper sum that we paid.

Mr. OLIVER: Has the Government in mind any active steps to be taken in regard to Stefansson and the men who are with him ?

Mr. HAZEN: We have three ships up there now searching for them: the North Star, the Alaska, and the Mary Sachs. We are doing everything that we think can be done, but as the hon. gentleman knows it is not an easy situation. These three ships have instructions to search and do all they can to find them.

Mr. OLIVER: These three ships are still up there?

Mr. HAZEN: Yes.

Mr. OLIVER: The reason I press this point is that I have seen an article in Harper's magazine, which I can only construe as reflecting seriously upon this Government, for not taking more active measures looking to the relief of Stefansson and of those parties who have not been heard from since they left the Karluk.

I do not wish to unduly criticise, but I must say that, taking the facts that have been presented to us from time to time by the minister, reading the accounts I have seen in the newspapers and reading this article by a friend of Stefansson—

Mr. HAZEN: Is that McConnell?

Mr. OLIVER: I think so—I am bound to say that the facts do not reflect any credit upon Canada or upon the Government. This expedition was sent out on the responsibility of the Government of Canada, and it is presumed that it was intended to serve a useful purpose. The leader of the expedition has some reputation in that line. It has been usual under such circumstances by the Governments of other countries to take more notice of the misfortunes that have happened to their explorers than has been taken in this case. It may be that the Government is misjudged. I am not concerned so much about that, but the reflections that have appeared are reflections upon Canada as a whole. If the minister has any information that he can give to this House as to greater activity on the part of the Government in seeking to relieve the situation of these explorers, he would certainly be very well advised to place it before the House. Not to speak too strongly, it seems to me that there has been a very cold-blooded view taken of the case, and I think it would be entirely creditable to the country, as well as to the Government, if some more active measures than have been taken in the past were taken on the direct responsibility of the Government looking to the relief of these people.

Mr. HAZEN: This matter has been very carefully considered, and everything has been done up to the present time that can be done. It was considered by officials of the department and by many scientific men, knowing to a considerable extent the conditions that prevail there, and they think that everything has been done that can be done. I know there was something in an American paper, and I know a gentleman came here who wanted us to undertake an expedition by means of aeroplanes that would have cost hundreds of thousands of dollars. The proposition was carefully considered by the department, and the department believed there was nothing practical

about it, and that no good could result from it, and they declined it. It was after this that we saw these criticisms to which the hon. gentleman has referred. The officials thought that an expedition to go out with aeroplanes to search in the Arctic for Stefansson was absolutely impracticable, and was not one that would give any good results. That is the only proposition that has been made. We considered everything we could do. We are just as anxious as my hon. friend or anybody else to do everything we can for these unfortunate men. Even if Stefansson is lost, which I am afraid is the case, we would like to make a search to definitely ascertain that fact. We have three vessels up there, there are other vessels which know everything about it and I am satisfied that everything is being done that could be done in connection with the matter. It was considered with the greatest possible care, and the seriousness of the situation appeared to everybody. It was considered not only by the deputy minister but by other officials in connection with the department, and the conclusion they came to was that everything that possibly could be done of a practical character has been done in connection with the matter.

Rewards for saving life, including life-saving stations, $125,400.

Mr. HAZEN: This is a transfer. The life-saving stations have been placed under the control of the Naval Service Department. This vote used to appear in the Marine Estimates. It is really no addition to the Estimates.

Mr. PUGSLEY: The amount is the same?

Mr. HAZEN: Exactly the same.

Mr. SINCLAIR: Is there any increase in the number of stations?

Mr. HAZEN: Under this vote $17,200 is spent in British Columbia and $25,500 in Ontario, $10,000 in New Brunswick, $26,600 in Nova Scotia, $2,600 in Prince Edward Island, and, on general account, $6,500. That is for maintenance. A new building is being erected at Point Pelee, Ontario, costing $10,500. There is a general vote for new boats, and repairs to buildings of $30,000, making the total $125,400. The stations in Nova Scotia are Bakers Cove, Blanche, Clark Harbour, Canso, Devil Island, Port Mouton, Scattari, Seal Island, St. Paul Island, Whitehead, Sable Island, Cheticamp, and Bay View. Some are permanent and some volunteer stations. The stations in New Brunswick are at Little Wood Island, Richibucto, Port Escuminac and Cape Tormentine.

Mr. SINCLAIR: What is the difference between a volunteer and a permanent station?

Mr. HAZEN: A permanent station is where the men are there permanently, ready at a moment's notice to go out to sea.

Mr. SINCLAIR: They are paid every day in the year?

Mr. HAZEN: Paid for the season during which they are there. A volunteer station is a station where men living in the neighbourhood pursue their ordinary avocations and when a wreck occurs they go and man the lifeboats. They are not paid so much a day, but for the number of drills they do during the season.

Mr. A. W. CHISHOLM: Have any new buildings been erected at Cheticamp during the last season?

Mr. HAZEN: There is one being built now.

Mr. CHISHOLM: Was it put up to tender?

Mr. HAZEN: I understand it is a very small building, costing with the land $425.

Mr. CHISHOLM: Who built it?

Mr. HAZEN: William AuCoin.

Mr. CHISHOLM: Is the hon. gentleman sure of that?

Mr. HAZEN: It is an AuCoin anyway.

Mr. CHISHOLM: I suppose there are five hundred of them down there. I may tell the hon. gentleman it was Alexander AuCoin. What system did the minister follow in giving an expenditure of $450 to one individual without tender and concontract.

Mr. HAZEN: It was an arrangement that was made, I understand, by Admiral Kingsmill, who went down there and decided upon the ground. That probably was the cheapest way of doing it. The land was secured from the man who put up the building. As I understand it, he gave the land and put up the building for $425. I think Admiral Kingsmill came to the conclusion that that was the cheapest way out of the matter, because if he had not given the man the job of putting up the building, the land would have cost a great deal more. Putting the two together, Ad-

miral Kingsmill thought he was making a good bargain. The matter never came to my attention before to-night. I have just picked up the information about it here.

Mr. A. W. CHISHOLM: What is the size of the building?

Mr. HAZEN: It is a double-boarded house with a stone foundation, and is large enough to serve as a living place for a crew of eight or ten men. I cannot tell the size.

Mr. CHISHOLM: Was any protest made against giving this work to Mr. AuCoin?

Mr. HAZEN: I certainly never had it called to my attention, and my officials here say that they never heard of it.

Mr. CHISHOLM: I have taken particular interest in this station. In fact, I give myself credit for having initiated the idea of having it put there. The late Government made provision for the erection of a station. I recognized that there was a great necessity for a life-saving station in that particular part of the county, inasmuch as the people are exclusively fishermen, and the coast is very rough. At the time the engineer went down there first to select a site for the station, I recommended to him a man by the name of Mr. Doucett for coxswain, or captain of the boat, as they name it down there. The change of Government came afterwards, and the friends of my hon. friend the minister made the recommendation that this man be dismissed and another man be appointed in his stead, a gentleman by the name of Mr. Maillet. Mr. Maillet, I must say, was a very suitable man.

Mr. MARCIL: Was he a Tory?

Mr. CHISHOLM: Yes. I have nothing at all to say against him. Shortly afterwards trouble arose between Mr. Maillet and one of the crew, Mr. Cormier. Mr. Cormier was dismissed by one of the officers of the department, I think Commander Thompson. An investigation was asked for, and Mr. Nickerson, who is also an officer of the department, was sent down to investigate the matter. He made certain recommendations. At the investigation, however, counter charges were made by Cormier against Maillet, who was captain. Mr. Nickerson investigated the charges and the counter charges. His report I find in the return I have here. He exonerates both parties from any very serious guilt. He says:

[Mr. Hazen.]

In my opinion, the complaint against Cormier as contained in the coxswain's letter to you is by no means sustained in all its gravity, while the counter charge is a trifling matter indeed, a sort of trumpery accusation quite easily accounted for.

That is the opinion of Mr. Nickerson with regard to Mr. Maillet. I moved for this return some time ago, and looking over it from cover to cover, I find that there is nothing against Mr. Maillet. I propose, however, following the various pages here. The next thing I find is that Mr. Cormier was reinstated, and that my opponent, Mr. Gallant a thorough gentleman, I must say, but of course a very strong Tory, recommended the dismissal of Mr. Maillet forthwith. The minister in reply to him stated that, in his judgment, the was no justification for the dismissal of Mr. Maillet. The hon. minister said what was right, that one of his officers, who went down there and investigated the case, stated that there was nothing to justify his dismissal such a short time after his appointment. In that the minister was thoroughly correct. He had the interest of the station at heart then; and had he continued to occupy that position with respect to this case, it would have been better for the station and for all concerned. Another officer, however, was sent down, namely, Admiral Kingsmill. He also made a report. I am going to put his report upon Hansard. He addressed the report to the department:

With reference to your memorandum of 31st August, I beg to report that I visited this station on the 15th of October and found that Mr. Gallant, who makes the charges against the coxswain was not there, but I interviewed several people and found that there is a feeling that the coxswain is not loyal to the Government who gave him his appointment.

I would hardly think that a man in the position that Admiral Kingsmill occupies would be sent down there to determine the politics of this man. He would be sent down for technical purposes, to find out whether the station was satisfactory, and so forth. The report continues:

I would submit that there is no reason for retaining him in the appointment; he is not able to manage his boat's crew, and the station is most untidy and ill-kept. When the station is closed down at the close of navigation, I would suggest that some one be nominated to take charge, make an inventory and lock the boathouse up until the re-opening of navigation, when the new coxswain and crew should be appointed. None of the crew made any complaint to me against the coxswain, and he himself spoke such indifferent English that I could

not gather from him any reason for the trouble which had taken place.

Mr. Maillet is a Frenchman and speaks French very well. I do not know whether Admiral Kingsmill speaks French or not.

Mr. HAZEN: What is the hon. gentleman reading from?

Mr. CHISHOLM: From sessional papers, No. 159, page 41. I want to point out particularly with respect to Admiral Kingsmill's report that, in my judgment, he would have done much better had he got some further information than he seems to have secured down there. He says he met several of the people there; but what strikes me very forcibly is that, notwithstanding the fact that there is previous to this report a statement by the crew of the life-saving station setting forth the charges against this man Maillet, at the time when one of the officers of the department went down to investigate the case, those men had no complaint to make. I would think that if they had made a complaint—and I doubt it very much—against Mr. Maillet, when the officers of the department went down there, they should have been able to substantiate the charges. I find from the report of Admiral Kingsmill that they made no charges at all in his presence.

I find a report here from the Deputy Minister of Naval Affairs covering a communication which is addressed to Mr. Gallant. It points out again that the officers of the life-saving station, when called upon to give evidence, had no evidence to give. I infer from the correspondence that the dismissal is the result of nothing more or less than a desire on the part of Mr. Gallant to dismiss the man whom he himself had appointed only a few months before. As to the politics of Mr. Maillet I know nothing. I had assumed that he was a strong Conservative and a supporter of Mr. Gallant. Evidently Mr. Gallant had suspicions, and the investigation of Admiral Kingsmill was to determine what the politics of this man were and not what his efficiency was. I find a report by Admiral Kingsmill in which he says that he interviewed a certain gentleman down there, who, he says is the leading man in the community, and this gentleman told him that so far as he knew Mr. Maillet was as good a man as they were likely to get, but the opinion in this case was that he was not loyal to the Government from whom he received his appointment. Here is another reference to this man's politics. My only reason for bringing this before the committee is that I fear the virus of politics has been injected into this institution. I fear that there is very little prospect that this life-saving station can give the service which I hoped it would give. It is true, there was a little disturbance between these two men. But I can assure the minister that if he were down in Cheticamp, he would find an equally great disturbance between two other men; and I suppose the next thing will be the dismissal of more men because of this little difference that could have been settled simply by not listening to either party but insisting that each should do his duty in his position. I hope the minister will not give heed too readily to these representations made by men who are actuated, in my judgment, by no other desire than to give way to their political feelings. This is evident from the first page of the report to the last. I have taken up the time of the committee believing that the service may be benefited by the minister being placed in possession of the facts.

Mr. HAZEN: I do not wish to take up time unnecessarily; but my hon. friend from Inverness (Mr. A. W. Chisholm) seems to think that this man was dismissed because of his politics. That question did not enter into it at all. This man was recommended for this position by Mr. Gallant, who was the Conservative candidate for Inverness in 1911, and appointed to the position largely on his recommendation. So far as I know the man was a Conservative, and there was no charge against him that he had interfered in politics. There was trouble at the station; discipline did not seem to be enforced by Mr. Maillet; and he made a charge against Mr. Cormier, one of his crew, and Mr. Cormier retaliated by making charges against him. Mr. Nickerson, an official of the Fisheries Department in Nova Scotia, was asked to make a report. He visited the place, and reported that in his opinion the complaint against Mr. Cormier contained in the coxswain's letter to Commander Thompson was by no means sustained in all its gravity, while the counter-charge was "a trifling matter indeed—a sort of trumpery accusation quite easily accounted for"—meaning, I suppose, that the coxswain had made a charge that was not sustained against this man, and the man retaliated by making charges against the coxswain. Mr. Nickerson proceeds to praise both men:

Maillet is no doubt a capable boatman. Cormier, I believe, is a trustworthy watchman. A slight personal pique was the beginning of the trouble which has been wretchedly augmented by outside interference into which it was not judicious for me to inquire, but which was obvious enough.... Much has been done to place this Cheticamp station on a high plane of usefulness. The location is correct, the outposts are properly chosen, the equipment is good and the men well qualified. Order and discipline can be introduced and maintained here if the crew are more fully instructed as to the nature of their duties in every part of the service. They are as yet new to the work.

Still, discipline did not prevail at this station; the coxswain did not enforce the authority he had, and constant bickering and trouble existed between himself and the crew. Representations were made about the matter, and I instructed Admiral Kingsmill, whose duty it is, to look into the matter and report what should be done. Admiral Kingsmill, I am sure, did not have any thought of politics. Being a civil servant, I suppose he has no politics, but if he had any, I presume they would lead him to sympathize with hon. gentlemen opposite. He went to this station and investigated, and he reports:

With reference to your memo, of 31st of August, I beg to report that I visited this station on the 15th October and found that Mr. Gallant, who makes the charges against the coxswain, was not there, but I interviewed several people and found that there is a feeling that the coxswain is not loyal to the Government who gave him his appointment.

I take that to mean, not that he was not loyal to the Administration, but that he was not loyal to the Government of the country, and was not doing his duty in his position. Admiral Kingsmill had no instructions to inquire into the man's politics; there is no charge of political interference connected with the matter. He says:

I would submit that there is no reason for retaining him in the appointment; he is not able to manage his boat's crew and the station is most untidy and ill-kept.

That is the report which induced me to take the action I did. That the coxswain was not able to manage his boat's crew is clear from the trouble that arose, each making charges against the other. Admiral Kingsmill further says:

When the station is closed down at the close of navigation, I would suggest some one be appointed to take charge of it, make an inventory and lock the boathouse up till the reopening of navigation, when the new coxswain and crew should be appointed. None of the crew made any complaint to me against the coxswain, and he himself spoke such indifferent English that I could not gather from him any reason for the trouble which had taken place.

Perhaps that was one trouble, that he could not make his views and wishes well known to his crew. Or were they all people who understood French?

Mr. A. W. CHISHOLM: Yes.

Mr. HAZEN: That is the report on which this man was relieved of his position. There was no politics in it so far as the department was concerned, and no charge made of political interference. This man was appointed largely on the recommendation of the man who was the Conservative candidate for Inverness.

Admiral Kingsmill is presumed to know his business; he is a trained and experienced officer. Does my hon. friend think that it would be good business to keep in office as coxswain a man who cannot enforce discipline with his crew and who allows his station to be ill-kept and dirty, as reported by Admiral Kingsmill? So far as I was concerned the question of the man's politics never entered into the matter.

Mr. A. W. CHISHOLM: The moment Mr. Maillet tried to enforce the regulations sent to him by my hon. friend's department, he incurred the enmity of the crew. The charges that were being made by the crew of the station were not laid before Admiral Kingsmill when he went down there, because the Admiral says that the crew had no charges to make. The same may be said in respect of Mr. Nicholson's visit. The crew of the station did not make their charges against the captain while the officers were there, showing conclusively that the whole thing was manufactured by politicians. My hon. friend's interpretation of Admiral Kingsmill's reference to politics does not correspond with mine. So long as the department refuses to help the captain of the life-saving station to carry out the regulations, so long will the station fail to produce the results I had hoped that it would produce. This man Maillet made an honest effort to carry out the instructions sent to him by the department, and thereby made himself unpopular with the crew. The crew and their friends sent representations here which were false, and which they dared not make when my hon. friend's representatives were down there. The matter is in the minister's hands.

Mr. A. A. McLEAN: I should like to bring to the attention of the minister a report which was current in the Maritime Provinces last year. A very severe storm occurred in Northumberland strait, and the report reached Charlottetown that a vessel was in distress between cape Tormentine and cape Traverse. The marine agent at Charlottetown sent the lifeboat to relieve the distressed vessel. The lifeboat could not get there unaided, and was towed by a tug. On the way out in the height of the storm, the crew went on board the tug, and shortly afterwards the lifeboat upset. If the crew had been on board the lifeboat, they would have been drowned. What I want to bring to the attention of the minister is the fact that it is currently stated that the boats which are supplied are not suitable for the purposes of life-saving stations. There is no use in maintaining life-saving stations at great expense if the boats supplied are not of the proper type.

Mr. HAZEN: The boat belonged to what live-saving station?

Mr. McLEAN: Charlottetown. I took occasion to ask some of the men who were on board the boat about this matter, and they told me—they are men who have been at sea for many years, and know something about these things—that in their opinion the boat was not of the proper type. I think that the department should take this matter up, because the material supplied to men who are engaged in saving life should be of the very highest quality in order that they may be able to render all possible assistance to vessels which may be in distress, without at the same time endangering their own lives. This is, perhaps, more important than any of the other matters that have been brought to the attention of the committee. I am not myself expressing any opinion as to the facts, because I am not posted on the subject, but it is currently reported that the boats are not of the proper type and are not as good as those used in England or on the continent of Europe. If that is the case, I think the Government ought to take the matter up and see that it is adjusted.

Mr. HAZEN: I entirely agree with my hon. friend that if you are going to have lifeboats you want to have boats that will do the work which they are intended to do. I will certainly make inquiry into the case of the lifeboat of the Charlottetown station, and if it is not suitable for the purposes for which it is intended, I will take steps to have it replaced by a suitable boat.

Mr. A. W. CHISHOLM: The complaint is made in this report that the lifeboat is not adequate enough; I call the minister's attention to that fact.

Mr. J. J. HUGHES: A lifeboat should be self-baling and self-righting.

Mr. HAZEN: It ought to be self-righting. Is this boat an old boat?

Mr. A. A. McLEAN: It is an old boat. I understand that the boat at Cape Tormentine is of the same type, and is of very little use.

Mr. J. J. HUGHES: I have some complaint to make about the boat at the Souris station.

Mr. HAZEN: Is that an old boat?

Mr. HUGHES: It has been in use seven or eight years, I think. It is said that this boat does not possess the essential requirements of a proper life-saving boat. Has the minister given us all the information he has as to the quality of these boats?

Mr. HAZEN: I fancy that some of the boats which are being built to-day for life-saving purposes are better than those which have been in use at the life-saving stations for a great many years. We are trying, little by little, to substitute better boats for those now in use. I have heard no complaint about the Cape Tormentine boat.

Mr. HUGHES: My information is that there is a better type of boat in use in the United States. Why was the life-saving station at Souris removed from where it was to where it now is?

This station was established in 1908 and the boathouse built upon some land supposed to belong to Mr. J. J. Hughes, M.P., for which a nominal rental of $1 was to be paid by the department.

In 1911 it became necessary to enlarge the boathouse, and for this more land was required. When the matter was taken up it was discovered that the boathouse was not on Mr. Hughes' land at all, but partly on land belonging to the estate of the late John McPhee and partly on land owned by Mr. John McLean. Mr. Hughes then offered a new lease of right of way at and through his lane with a proviso allowing him to terminate said lease on six months' notice. It was impossible to accept this offer as, if the right of way was withdrawn there would be no way of getting the boat and wagon to the railway.

Mr. Lord, superintendent of life-saving station, after looking into the whole matter, recommended the purchase of a site from Mr. J. A. Remick, to which the boathouse could be moved

before the addition was built, and the matter would then be settled denitely. After approaching Mr. Remick, Mr. Lord was advised by Messrs, Fraser and McQuaid, attorneys, that the property in question was owned by the estate of John McPhee and could only be sold or leased after authority had been obtained from the Court of Chancery.

On this being reported to the department the chief engineer advised having the land expropriated, which was accordingly done. The cost of the land was $76, being 76 feet at $1 per foot frontage and the building was moved on to it at a cost of $70. After moving the building was reported to be in good shape. On the 17th of February 1914, however, the boathouse was damaged by an exceedingly heavy easterly gale which occurred on that day. It was then decided that the building had been placed too far forward when moved and it was accordingly moved back a little further where it now it.

My hon. friend asked me about this and asked me to have the information when the Naval Estimates came up.

Mr. J. J. HUGHES: The boathouse was really on land belonging to the Crown.

Mr. HAZEN: That does not appear to have been the opinion.

Mr. HUGHES: At all events it was on land that belonged to the McPhee estate, nobody claimed it, nobody asked any price for it or asked rent.

Mr. HAZEN: Does my hon. friend know the firm of Murray and McQuaid ?

Mr. HUGHES: Yes.

Mr. HAZEN: They advised that the land belonged to the McPhee estate. The land where it was belonged to two people, McPhee and John McLean.

Mr. HUGHES: I do not think the report is correct. It really was very difficult to move the building.

Mr. HAZEN: It only cost $70.

Mr. HUGHES: The building had to be moved across a wharf, and it was injured in the moving, and it is not now in as good a site as before; it is not as well sheltered or so near to deep water.

Mr. HAZEN: The report from Mr. Lord, superintendent of life saving stations for Prince Edward Island, is as follows:

With reference to the question: "is the new situation preferable to the old one?" I beg to state that the present site is infinitely better than the former one on account of the protection given by wharf property owned by Messrs. Matthew and McClean and the railway wharf property.

Mr. HUGHES: Mr. Lord was the man who selected the first site, and he thought it was the best in the harbour.

[Mr. J. J. Hughes.]

Mr. HAZEN: He must have changed his mind.

Mr. MARCIL: I asked during the last regular session how it was that Quebec, one of the important maritime provinces of Canada, was without a life-saving station, and the minister said he would look into the matter.

Mr. HAZEN: I have here a memorandum prepared by Admiral Kingsmill, in consequence of my hon. friend's request:

Memorandum for the Deputy Minister.

Regarding your request for a note giving reasons why there are no life saving stations on the river St. Lawrence: On the upper part of the St. Lawrence there is no necessity for any station, as vessels getting into difficulties are not likely to be completely wrecked so as to endanger the crew.

The lower part of the St. Lawrence is populated nearly all along its entire banks for a long way down, by farmers, etc., and if a small vessel is wrecked, until you get into the gulf there are seldom heavy enough seas to break up a vessel before the persons on board could get ashore. I believe, several years ago it was proposed to erect a station in Chaleur bay but I can find no record of anything having been done.

As to establishing stations now on the lower part of the St. Lawrence and the gulf, I see less reason for it than in the past. At present, in the fishing communities there are so many large and well equipped motor boats that there would be no difficulty in getting men to go to a wreck if necessary, while the difficulty of proper supervision of a station districts is so great in these outlying districts. I could not recommend the establishment of them.

There is no doubt a considerable feeling about, that had there been a life saving station in the vicinity more lives would have been saved when the Empress of Ireland sank off Father Point. A collision in open water is no reason for establishing life saving stations. Had there been a station near at hand it would have meant one more boat to assist in rescue work. The chances of collisions taking place in the vicinity of life saving stations are remote, it is impossible to provide against such accidents. That is Admiral Kingsmill's opinion.

Mr. MARCIL: I hope he is right, but I regret to say he makes no reference to two very dangerous points on the lower St. Lawrence, Anticosti island and Magdalen islands.

Mr. HAZEN: I have here a list of the life-saving stations in Quebec. There is one on Entry island. That is in the Magdalen islands. There is none on Anticosti island.

Mr. SINCLAIR: Is there any system of reports on the practice of life boat crews ? To have an efficient service, practice and drill must be carried out regularly.

Mr. HAZEN: Reports are sent in regularly to the department and my hon. friend could see them at any time.

Mr. SINCLAIR: I referred some time ago to the circumstances surrounding the death of Joseph Le Blanc, of Point Felix. There is a feeling of unfairness among the relatives of this sailor who think that the truth was not told during the discussion which took place in the House last session in regard to this matter. I wish the minister to bear with me until I point out to him that there were some unintentional errors made in the statement which he gave last session. This sailor was in the employ of the Government and on board the steamship Canada. He fell ill and was put in the hospital in Montreal. He died there on the 22nd of August, 1913, and on that date a telegram was sent to his nearest relative, Mrs. Margaret Richard, of Point Felix, announcing his death. The dispute was as to the date of the answer. On the 22nd August, 1913, the telegram was sent to Mrs. Benjamin Richard telling her that her brother Joseph had died in hospital at Montreal. It was stated by the minister in the discussion that took place that Mrs. Richard did not reply to this telegram until the 27th of August, and that it became necessary in the intervening period to bury her brother in Montreal, instead of sending the body to Port Felix as the relatives desired. I pointed out to the minister that Mrs. Richard informed me that she replied to the minister on the following morning, the 23rd August. The minister stated positively that he was instructed by his officers that such was not the case, and that Mrs. Richard's telegram was sent to the ship on the 27th of August, not the 23rd. During the summer and autumn I took the trouble to investigate this matter, and I got copies of the telegrams. I find that some officer in the department of my hon. friend must have misled him as to the dates. The first telegram received by Mrs. Richard is the following:

Halifax, N.S., August 22, 1913.

To Mrs. Benjamin Richard,
West Port Felix, N.S.

Joseph LeBlanc died Montreal General Hospital. If you want body buried Port Felix you will have to pay expenses. Otherwise Government will bury him Montreal. Reply Canada, Halifax.

(Sgd.) Jim Bond.

Jim Bond was a sailor on board the Canada, and apparently the captain of the Canada asked him to send the message to Mrs. Richard. The minister told us last year that the captain authorized Bond to send a message, and that it was sent in Bond's name. But this telegram stating that the Government would require the relatives of Joseph LeBlanc to pay the funeral expenses did not appear on the file last year, although we thought we had a complete file of the telegrams. Now this is Mrs. Richard's answer:

White Head, August 23, 1913.

To Captain Stewart,
D.G.S. Canada, Halifax.

If Government will forward Joseph LeBlanc's body to Mulgrave free of charge we will meet it there. Otherwise please have buried Montreal. Advise answer.

Mrs. Benjamin Richard.

Mr. HAZEN: That telegram was received after he was buried?

Mr. SINCLAIR: In order that there should be no question about the facts, I wrote to Mr. Laidlaw, the manager of the Western Union Telegraph Company, Halifax, and he replied giving me all the details which I will read to the minister. Here is my letter to Mr. Laidlaw:

New Glasgow, N.S., August 15, 1914.

G. Laidlaw, Esq.,
Manager, Western Union Telegraph Co.,
Halifax, N.S.

Dear Sir:

I have your favour of yesterday. The Port Felix telegram referred to is as follows:

Port Felix, Aug. 23, 1913.

If Government will forward Joseph LeBlanc's body to Mulgrave free of charge we will meet it there. Otherwise please have buried in Montreal. Advise, answer.

Mrs. Margarget Richard.

Mrs. Richard informs me that she delivered this telegram to Mr. Dillon, your man at White Head, on the 23rd of August, 1913. The Minister of Marine states that the telegram did not reach the captain of the ss. Canada at Shelburne until August 27. The above copy of the telegram does not disclose the person to whom it was addressed. It may have been the captain of the Canada, or if not, it must have been some officer under the captain. I presume that you will be able to find out that fact.

What I wish to know particularly is, what became of this telegram when it reached Halifax on the 23rd of August? Was it delivered to any person in the Marine Department? If so, to whom? If not, where was it between the 23rd and the 27th? It was contended in Ottawa that the telegram was not sent until the 27th, but I am satisfied from what Mrs. Richard has told me, and from the copy which has been sent me by her, which I understand was approved by Mr. Dillon, that Mrs. Richard has told me the truth.

Trusting that this may give you the information, and that you will be kind enough to drop me a line to House of Commons, Ottawa, when you ascertain the facts, and thanking

you for the trouble you are taking in this matter, I remain,

Yours very truly,
(Sgd.) J. H. Sinclair.

Mr. HAZEN: What is the date of the telegram mentioned in that letter?

Mr. SINCLAIR: I sent a copy to the manager of the telegraph company, so that he might look the telegram up and see if it was correct.

Mr. HAZEN: That is the day after LeBlanc died?

Mr. SINCLAIR: Yes, Mrs. Richard got the telegram late on the 22nd, and she answered early on the morning of the 23rd. This is the reply I received from Mr. Laidlaw:

Halifax, N.S., August 16, 1914.

J. H. Sinclair, M.P.,
House of Commons,
Ottawa.

Dear Sir,—Your favour of the 15th inst., duly received. The Port Felix message you refer to was received here dated Whitehead, N.S., August 23rd at 8.36 a.m. and sent to the Dockyard by messenger for delivery.

It appears that the D.G.S. Canada was not in port and we were instructed to forward the message to Shelburne, N.S., which was done on the same date. Our Shelburne office immediately reported the message as undelivered, the Canada not being there. On August 27 Shelburne advised us to disregard her former service as the Canada had arrived at Shelburne and message had been delivered.

It would appear from the above that the Canada was at sea between the 23rd and 27th of August last year and that Shelburne was her first port of call.

If you should desire further information in regard to this message I shall be glad to do what can to assist you.

Yours truly,
G. Laidlaw,
Manager.

Mr. HAZEN: Was that telegram delivered on the 27th to the captain of the Canada?

Mr. SINCLAIR: I presume it was delivered at Shelburne on the 27th. It was taken to the dockyard by a messenger of the telegraph company about 8.30 on the morning of the 23rd. The point I wish to make is this. Some one in the department of my hon. friend, either in order to conceal the real facts or by mistake, informed the minister that Mrs. Richard's telegram was dated August 27 and not August 23. The minister produced in the House a copy of the telegram, which he stated was a correct copy. It will be found on page 5334 of Hansard of last year, and reads as follows:

[Mr. Sinclair.]

August 27, 1913.

The Captain Canada,
Shelburne, Nova Scotia.

If Government will forward J. Leblanc's body Mulgrave free of charge it will be met there, otherwise please have buried Montreal.

Mrs. Richard.

I want to point out to the minister that this telegram must have been partly manufactured by some officer in his department, and I was surprised that any officer should change a telegram just to fit the story that was put up by somebody in regard to this matter. In the first place the telegram produced by the minister last year is addressed to the captain of the Canada at Shelburne, N.S., whereas the actual telegram sent by Mrs. Richard was addressed to the captain of the Canada at Halifax. In the second place the date of the telegram produced by the minister last year is dated August 27, whereas the telegram sent by Mrs. Richard was dated August 23. The minister was very positive about it. He says on the same page of Hansard from which I have already quoted: "she did not send it until the 27th of August." It was further stated that, if Mrs. Richard had replied to Dr. Ower, at Montreal, LeBlanc's body would have been sent on to port Felix. I want to point out that Mrs. Richard did reply to Dr. Ower at Montreal, on the same day that she replied to Captain Stewart. Here is her message to Dr. Ower:

Port Felix, August 23, 1913.

Manager, Montreal General Hospital,
Montreal.

Have you instructions from Marine Department to send Joseph LeBlanc's body home or bury there. Reply.

Mrs. Benjamin Richard.

That telegram was not produced with the file of last year. It was said that Mrs. Richard sent no communication whatever to Dr. Ower at Montreal in regard to her brother's body. On August 25 Dr. Ower replies to the telegram sent to him on the 23rd. It was received at Whitehead on August 25th and it is as follows:

To Mrs. Benjamin Richard, Whitehead.

Marine Department has given instructions for body to be buried here.

That telegram was not produced at all. It was either taken from the file or it never was received by the minister. I understand that the Canada has wireless machinery on board and that she could have received the message if the officers at the dockyard at Halifax had wished to communicate with her. Evidently they did not regard this matter as of sufficient importance to forward the message to the captain of the Can-

ada which they might have done. It cannot be said that it was Mrs. Richard's fault that the message did not reach its proper destination because it was the fault of some one in the Marine Department. It looks as if the real reason for it was to be found in the instructions of Captain Stewart, who says:

You must pay the expenses; otherwise Government will bury in Montreal.

That was not stated in the discussion which took place last year.

So much for that phase of the question. Then, the relatives of this deceased sailor thinking that they were badly treated, made application to the minister for some compensation to the orphan child that was adopted by the sailor and left helpless at **Port Felix.** Some consideration was due to these people. The sailor was an unmarried man and it is rather an unusual thing for a man under these circumstances to adopt a child. But he did adopt a child and when he died the child was without any help or support. The sailor's sister applied to the minister for some small compensation owing to the fact that the sailor had died in the services of the Government of Canada. Here is what the minister said in reply to that request:

My hon. friend (Mr. Sinclair) has referred to the fact that perhaps something should be done in the way of assistance for a child which the hon. member says Leblanc adopted. Leblanc had only been a few months in the service of the Marine and Fisheries Department as a sailor on board the Canada, and our information is that this chold who was living with him was a nephew, and that the father of the child is living and is well able to provide for it.

That statement also turns out to be untrue. The child is not a nephew of Mrs. Richard or of her brother. The minister says that the father is well able to take care of the child but I want to tell my hon. friend that it is not known who the father of the child is. The fact is that the child is an illegitimate child and his father is not known. The story of this child is told by Mrs. Richard herself in the following letter:

East Port Felix, June 22, 1914.

My dear Gentlemen:

Just a few lines to tell you that I have received your book and the letter—

That refers to a copy of Hansard.

—but my letter was gone, I think you got it now, and also I have read the question over and over again, and I see all the mistakes they have, say even to tell that the child was a nephew to poor Joe and to us, what a lie as I must say, nothing else but a lie, and another thing to say that the J. Bond on board of the D.G.S. Canada was a cousin of the deceased, that is another fraud, and even to say the child's father was well able to provide for it, they know more than I do about its father. I know its mother, and that is all I know, and nobody else in this place know who is the child's father's name. I will tell you the whole thing about this boy. The first one that took the boy was our brother Remie Leblanc. You have heard about him before. He was married and they had no family of their own, so they heard about this young girl having an infant that she was wanting to give him away to somebody. She was alone, no one to work for her, and she was crippled, no one to earn her living, so she gave her child to poor Remie before the magistrate and a couple of witnesses, then after a while Remie and his wife both took sick, the wife took sick in May and she died in November, and eight months after Remie died, and this brother of ours, Joe, took the child and looked after him the same as a father to his own child, and they both came and stayed with me, and they had no one, no woman to wash and bake for them, after they stayed with me, Joe was going away to earn for both of them, he was taking everything to the house, and I was taking everything to Sinclair, I am writing to Mr. Hazen, telling him all the matter again. See if he will answer my letter. I know he won't answer it.

Mr. HAZEN: She is mistaken.

Mr. SINCLAIR (reading):

I will write again to Mr. Borden, see what kind of answer I will get. I know he will answer back. This is all.

Yours truly,
(Sgd.) Mrs. Margaret Richard,
East Port Felix,
Guysborough Co., N.S.

That is the story of the little boy, and it appears that my hon. friend was misinformed when he stated that his father was living and was well able to take care of him. I do not know whether this will induce the minister to change his mind and to make some compensation to the child or not, but I think it would only be fair to the relatives in Port Felix who have felt very badly over the fact that their brother was buried amongst strangers in Montreal in place of his body being sent home when he died in the service of the Government, but which was not done because of the small expense which it would have necessitated. The department, without much expense, could have had the body transferred from Montreal to Mulgrave. That is all over, the body is buried in Montreal and there is no help for it now, but the child is still living, the people are needy, and if the minister could reconsider his position and make some compensation that would help to clothe and feed the young child for a short time, owing to the fact that he was left helpless after

the death of this sailor, it would be a gracious thing for him to do.

Mr. HAZEN: I do not think there is any advantage in discussing this matter very much further, but the facts as they are disclosed by the records in our department are these: Le Blanc was a sailor on board the Canada, he had been on board for about two months, the boat was in Montreal, he was taken ill and he died of natural causes and not in consequence of any injury he had received while in the service of the Government of Canada. He died in the Hospital in Montreal, after receiving all proper medical attention, he was a Roman Catholic in religion and he was buried according to the rites of the Roman Catholic church, in the cemetery at Montreal.

Mr. SINCLAIR: What was the nature of his illness?

Mr. HAZEN: I do not think I have the statement, but it was from natural causes.

Mr. SINCLAIR: I understand it was from pneumonia.

Mr. HAZEN: It was never claimed that he had contracted the disease on the boat. Immediately after his death, according to the files, his sister, Mrs. Margaret Richard, of Port Felix, was communicated with to ascertain the desire of his relatives in regard to the disposition of his remains. No reply was received from Mrs. Richard, and after two days the body was buried. It appears from what my hon. friend says that on the 22nd instant his sister endeavoured to communicate with the captain of the Canada—

Mr. SINCLAIR: On the 23rd.

Mr. HAZEN: —on the 23rd, the day after his death, that this telegram went to the dockyard, that they said that the Canada was not in Halifax but in Shelburne, that they communicated with Shelburne and found that the Canada was not there but that she was at sea and that this message was not delivered until the 27th. The message, that we believe is the message that was received, bears date the 27th. That is the message on the files.

Mr. SINCLAIR: How is that?

Mr. HAZEN: The telegram bears date the 27th. My hon. friend says it was sent on the 23rd, and it would certainly appear from the statement he has read from the telegraph company as if undoubtedly Mrs. Richard had sent the telegram on the 23rd. I am not disputing that fact at all; but I would say that in some way or other this message was sent back and forth to different places, and when it was sent to Halifax, the captain of the Canada was not there. It bears the date of the 27th. That, however, does not affect the merits of the case in any way.

Mr. SINCLAIR: I have a copy of the message here.

Mr. HAZEN: Yes, and we have a copy of it on our file. That is the statement of Mr. Stewart in regard to the matter. It does not make any difference. The message was not delivered until the 27th, and on that date Mr. Richard had been buried for some days, and it was impossible to send his body down to Nova Scotia for interment. The message was received by the captain of the Canada only on the 27th. Mrs. Richard tried to communicate at an earlier date, but unfortunately the message was not delivered by any one whatever to Mr. Stewart or any one in the department. The Canada was at sea, and the message could not be delivered until she came into port.

Mr. SINCLAIR: A message was sent to Mr. Ower on the 23rd. My hon. friend will remember that one of the messages sent to Mrs. Richard instructed her to communicate with Dr. Ower in Montreal. She did so, and that ought to have been sufficient, even if the captain of the Canada did not receive the message.

Mr. HAZEN: The information given me by my officials is that Dr. Ower never received that message.

Mr. SINCLAIR: He replied to it.

Mr. HAZEN: We knew nothing about it in my department in any way. We never heard of his having received it. Had that message come to the attention of the marine authorities, they, of course, would have forwarded Richard's body to Nova Scotia, where it was to be buried. That would have been the humane and proper thing to have done, and the Marine and Fisheries Department would certainly have sent the body of a man dying in the Government service forward at the expense of the department.

It appears there was a boy whom Richard supported. Some time after Richard's death, an application was received by the department for assisting and caring for this boy. It did not appear clear what the relationship

was, and Admiral Kingsmill entered into communication on the subject with Captain Stewart of the Canada, and he received a personal reply from Captain Stewart based on the statement, he said, of E. Richard, cousin of the deceased, stating that the boy was a nephew of the deceased and that his father was alive and well able to take care of him, and that he did not see why Mrs. Richard should ask for assistance. That information was in the department at the time the return was brought down in this House on the 9th of February of last year. On further inquiry by the department, a letter was received on June 22 from Mr. Richard addressed to the minister, stating that this boy was no relation whatever of LeBlanc. but that as he was left destitute LeBlanc had taken care of him. LeBlanc died suddenly after having been in the employ of the department only a few months. Under those circumstances, I would ask my hon. friend if he thinks the country should make a grant for that boy. He was no relation to the man who died. The man who took care of him did so out of the kindness of his heart. With all sympathy for the boy under the circumstances—

Mr. SINCLAIR: The boy was adopted in a formal manner by Joseph LeBlanc, Remie's brother, and when Remie died there was no one to take care of the boy, and Joseph took charge of him in place of his brother.

Mr. HAZEN: Under those circumstances it would be carrying the matter pretty far if the Government had to take care of this boy. If LeBlanc had been in the service of the Government for a great many years and was taking care of this boy, something might have been done; but cases occur practically every year in the Government service of a man employed in the Government service dying and leaving dependents upon him. I can hardly imagine a case where we would not be obliged to make provision for the relatives, if we were obliged to do so in this case. We naturally feel all possible sympathy for a boy left under those circumstances. Personally we would be disposed to contribute to his support or to help him in some way; but does my hon. friend think that Government assistance ought to be carried to the extent that he now suggests it should be, and that, if a sailor upon a Government ship dies leaving some one dependent upon him, if that sailor has been in the Government employ only a short time and dies through natural causes and not in consequence of his duty to the Government, the Government should make provision for the dependent? With every possible sympathy for the woman and the boy, I do not think it is a case where I should recommend to Parliament that a grant be made for his support.

Mr. SINCLAIR: The principal reason I had for referring again to the matter was to clear up the mistakes of last year. There was a feeling of unfairness and injustice amongst the relatives of Jos. LeBlanc, that the matter had not been stated correctly in this House.

Fisheries—to provide for the maintenance of experimental work for the reduction of dogfish, $60,000.

Mr. MARCIL: Has the minister been successful yet in arranging for a test case with the Government of the province of Quebec regarding fisheries?

Mr. HAZEN: Correspondence upon that subject is now being carried on between the Attorney General's Department in Quebec and the Department of Justice here. I have not seen the Department of Justice for the last few days. I was in hopes that an arrangement was about to be reached.

Mr. MARCIL: Will action be taken by the department this year on this question?

Mr. HAZEN: Yes, if an arrangement is come to, to have the matter finally settled by the courts.

Mr. SINCLAIR: What is the cost of the Fisheries Advisory Board?

Mr. HAZEN: There was a statement showing the whole cost, in answer to a question given to the House this session. I will look it up for my hon. friend. He will find it in Hansard.

Progress reported.

On motion of Mr. Rogers, the House adjourned at 11.35 p.m.

Monday, March 29, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

DOMINION ELECTIONS.

VOTES FOR SOLDIERS.

Hon. C. J. DOHERTY (Minister of Justice) presented the first report of the

Select Committee appointed to inquire into the operation of the Act relating to the election of members to this House, and into the practice and procedure in connection with election petitions, as follows:

The Select Committee appointed to inquire into the operation of the Act relating to the election of members to this House, and into the practice and procedure in connection with election petitions, beg to report a Bill to amend the Controverted Elections Act, and a Bill to amend the Dominion Elections Act, to both of which Bills the members of the committee have unanimously agreed.

Upon the question of enabling officers and men of the military forces of Canada on active service to exercise their franchise at any election that may occur during their absence in such service, referred upon the resolution moved in the House by Mr. Fripp, M.P., your committee beg to sumbit a Bill which is here annexed.

(Signed) Charles J. Doherty,
Chairman.

He said: The committee presents three Bills, one to amend the Dominion Elections Act, one to amend the Controverted Elections Act, and a Bill looking to provide for the giving of votes to soldiers and providing for the methods by which these votes may be registered. In regard to the first two Bills, I am asked by the committee to say that the committee is unanimous in recommending them to the House. With regard to the last Bill, with reference to the giving of votes to soldiers, I am asked to say that the committee was not unanimous in adopting it, but submit it to the House, the majority commending it, but the minority not concurring either as to the desirability of the measure as a whole or as regards the methods suggested for carrying out its principle.

Sir WILFRID LAURIER: May I ask the minister if the War Office has been communicated with as to having such an innovation introduced into the British Army?

Mr. DOHERTY: I am not aware that there has been any communication with the War Office on the subject.

ADULTERATION ACT AMENDMENT

MAPLE SUGAR AND SYRUP.

Hon. P. E. BLONDIN (Minster of Inland Revenue) moved for leave to introduce Bill No. 114, to amend the Adulteration Act. He said: This amendment purposes to enforce the law passed last year concerning the fabrication and sale of maple sugar and maple syrup by forcing the sellers of imitations to label such articles with a declaration making the public aware that they are imitations. It also restricts the use of the word "maple" to the absolutely pure products from the sap, and it increases the minimum penalty for infraction of said Act from twenty-five dollars to fifty dollars.

Motion agreed to, and Bill read the first time.

INLAND REVENUE ACT AMENDMENT.

TEMPORARY APPOINTMENTS.

Mr. BLONDIN moved for leave to introduce Bill No. 116, to amend the Inland Revenue Act. He said: This amendment is in order to include in the Inland Revenue Act a clause similar to clause 6 of the Customs Act regarding the appointment of temporary officials by Order in Council.

Mr. SPEAKER: My attention has been drawn to the fact that this Bill purposes to increase salaries, and that being so it is practically a money Bill that would have to be introduced by resolution. The resolution might be prepared and notice of it given to-day.

Mr. MARCIL: Are these officials of the inside service or of the outside service?

Mr. BLONDIN: The outside service.

Motion agreed to, and Bill read the first time.

INLAND REVENUE ACT AMENDMENT.

Mr. BLONDIN moved for leave to introduce Bill No. 115, to amend the Inland Revenue Act. He said: This amendment is to permit excise goods, such as tobacco, cigars and cigarettes, to be transferred from the factory to Halifax or Vancouver in bond, in order that they may be ready for delivery at such time as warships may stop at one of these ports for a few hours only.

Motion agreed to, and Bill read the first time.

CANADA GRAIN ACT AMENDMENT.

Sir GEORGE FOSTER (Minister of Trade and Commerce) moved for leave to introduce Bill No. 112, to amend the Canada Grain Act. He said: This Bill will make two short amendments to the Act. The effect of the first is to make the weighing at Fort William and Port Arthur final. The other has the effect of making the grade certificate prima facie evidence in litigation.

Motion agreed to, and Bill read the first time.

GOLD AND SILVER MARKING ACT AMENDMENT.

Bill No. 113, to amend the Gold and Silver Marking Act, 1913—Sir George Foster—introduced and read the first time.

BUSINESS OF THE HOUSE.

EASTER ADJOURNMENT.

Sir WILFRID LAURIER: Is it the intention to have an adjournment at Easter? I make this inquiry because, though I thought at one time that it would be possible to prorogue before Easter, or about Easter, it is evident now that we cannot possibly have prorogation before Easter even if we were to sit every day, and we cannot do that, next Friday being Good Friday. Besides, we find to-day seven new Government measures brought before us for the first time. There are the three Bills of the Minister of Inland Revenue, an important resolution by the Minister of Marine and Fisheries, and a still more important resolution by the Minister of Railways. That makes five. Then there are the two Bills from the Senate, which, as I understand, are Government measures, and which, while I suppose, not contentious, are still of great importance. This makes seven new measures to be taken up, added to what we have still unfinished. Besides, we have not yet the Supplementary Estimates for the coming year. So, it is absolutely impossible to contemplate a prorogation even within the coming week, and I ask, is it the intention to have an adjournment at Easter or not?

Sir GEORGE FOSTER: I do not abandon the possibility of reaching a conclusion of our labours this week. My right hon. friend (Sir Wilfrid Laurier) tabulates the new measures as seven. They are seven in number, but, so far as I know, the three Bills presented by the Minister of Inland Revenue, and the two from my own department, are practically non-contentious measures and very short; I think the House can deal with them very quickly. The two others that were mentioned may cause a little more discussion than these. We are practically very well along with the Estimates, and the Government measure which we have before us to-day I hope we shall be able to dispose of without too long a discussion. So that, with diligence and application, and the same good feeling that characterized the sittings of the House last week, I think we can get the business very fairly well disposed of by Thursday night. However, as that may not be absolutely possible, though I hope that members on both sides of the House will work towards that end, I have given notice of a motion by which the House will be asked to adjourn—if it is to adjourn—from Thursday night until Saturday morning; and so we shall have Friday free, but no extended holidays at Easter. From what I have learned of the opinion on both sides of the House, while we are all anxious to do what is necessary and not to go away until that is done, at the same time we do not wish to stay here an hour longer than is absolutely necessary. Many members on both sides of the House have expressed the wish that we should not have a long adjournment at Easter. I will move my resolution to-morrow; I hope that the right hon. gentleman will turn it over in his mind in the meantime, and that he will facilitate as much as possible the object we have in view.

Sir WILFRID LAURIER: There is no desire on this side of the House—and our conduct has shown that—to prolong the session beyond what is absolutely necessary. I would not have risen as I have done were it not for the fact that these very important measures—that proposed by the Minister of Railways and Canals is of very great importance—have been brought before us at this moment, and such measures cannot be passed except with ample discussion. Then, I have to remind my hon. friend that the Supplementary Estimates for the coming year are not yet down.

Sir GEORGE FOSTER: As to the Supplementary Estimates, I think I can assure my right hon. friend that they will not be very numerous nor very extensive, and that they will be brought down to-day.

Hon. W. T. WHITE: Or to-morrow.

Sir WILFRID LAURIER: There does not seem to be unanimity on that point.

Sir GEORGE FOSTER: I am sure they will not call for much discussion. The Minister of Finance (Mr. White) says they will be down to-morrow anyway.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 82, respecting the Patent of the National Wood Distilling Company.—Mr. Green.

Bill No. 83, for the relief of Lottie Thorndike.—Mr. Boyce.

Bill No. 86, respecting the Grain Growers' Grain Company, Limited.—Mr. W. H. Sharpe.

Bill No. 88 for the relief of Adam Clarke Anderson.—Mr. Wallace.

Bill No. 90 for the relief of Alexander McIntyre.—Mr. Bristol.

Bill No. 91 for the relief of Violet Burnett Delmege.—Mr. Brabazon.

QUESTIONS.

[Questions answered orally are indicated by an asterisk.]

REVENUE STEAMER ALERT.

Mr. McKENZIE:

1. What is the speed and horse power of the revenue cutter Alert?
2. When and where was she built?
3. Who is the present owner of the Alert?
4. For how long is the Alert hired by the Government, and at what rate per month?
5. What is the name of the master of the Alert, and does he hold a master's certificate?
6. If he holds a certificate, when and where was it obtained?
7. Is the master of the Alert or any member of the crew a preventive officer?

Mr. J. D. REID:

1. Speed, about ten knots; horse power, actual, 150; nominal, 24.

2. South Bristol, Maine, 1880; rebuilt, North Sydney, 1907; new boiler and engine, 1911.

3. W. N. McDonald.

4. The Alert is hired for an indefinite period. Contract may be terminated by twelve months' notice of either party, $1,250 per month; the same as the Gladiator.

5. Henry Joseph Lewis. Yes, British Board of Trade certificate.

6. May 5, 1883. Liverpool, England.

7. The master is acting as preventive officer of customs.

PURCHASES OF FLOUR.

Mr. ROBB:

1. Referring to the gift of one million bags of flour from Canada to the British Government, how many bags of such flour were purchased from each of the following firms, viz: Western Canada Flour Mills, Limited, Dominion Flour Mills, Limited, Lake of the Woods Milling Company, Maple Leaf Milling Company, Limited, St. Lawrence Flour Mills Company, Limited and Ogilvie Flour Mills, Limited?
2. What was the price paid per bag?
3. Did the price include cost of cover? if not, what was cost of cover per bag?

Sir GEORGE FOSTER:

1. Western Canada Flour Mills, Ltd., 125,000 bags; Dominion Flour Mills, Ltd., 20,000 bags; Lake of the Woods Milling Co., 100,000 bags; Maple Leaf Milling Co., Ltd., 415,000 bags; St. Lawrence Flour Mills Co., Ltd., 40,000 bags; Ogilvie Flour Mills Ltd., 300,000 bags.

2. $2.80 per bag.

3. Yes.

CHESLEY PUBLIC BUILDING.

Mr. TRUAX:

1. How long was Wm. Halliday caretaker of the Chesley public building?
2. What amount has he received for his services to date?
3. What amount was paid Samuel Wright for erecting a fence around the Chesley public building?

Mr. ROGERS:

1. Mr. William Halliday was appointed clerk of works to supervise the construction of the public building at Chesley on 15th May, 1912, and served in that capacity until the building was fully completed and occupied in June, 1914.

2. Services for 26 months at $80, $2,080.

3. S. Wright was paid $486 for fence, and for other small items $25: $511.

AMHERST CUSTOM HOUSE.

Mr. SINCLAIR:

1. What were the receipts of the Amherst, N.S., custom house, for each of the last three fiscal years?
2. How many employees have been engaged during those years, and what has been their respective salaries?
3. What were the receipts of this office, for each of the three years previous to 1912, and what was the number of employees engaged during these years, and the remuneration paid to each?

Mr. J. D. REID:

1. 1911-12, $93,061.22; 1912-13, $141,373.20; 1913-14, $139,447.78.

2. Officers employed, 1911-12: B. W. Baker, $1,500; R. Lusby, $750; D. C. McLeod, $1,000 from February 1, 1912; L. J. Moffatt, $1,000; C. E. Ratchford, $1,100 Mrs. Ratchford, 2 weeks during leave of officer L. J. Moffatt, $8. Officers employed, 1912-13: B. W. Baker, $1,500; R. Lusby, $750; L. J. Moffatt, $1,000; D. C. McLeod, $1,000; N. S. Sanford, $1,000, from August 19, 1912; C. E. Ratchford, $1,300.

LETHBRIDGE FIELD BATTERY.

Mr. BUCHANAN:

1. Were tenders publicly invited for the contract for supplies and equipment for the field battery now being trained at Lethbridge?
2. Were all merchants in the city given an opportunity to tender?

Mr. HAZEN: My information is that this question was answered on a previous occasion.

Question dropped.

TUFTS COVE DRY DOCK.

Mr. A. K. MACLEAN:

1. Was a boat hired in connection with the work of taking borings, etc., for the dry dock at Tufts Cove, Dartmouth, N.S.? If so, from whom?

2. What was paid per day for the said boat, and for how many days was the same in the service of the Government?

3. On what date were the said services discontinued?

Mr. ROGERS:

1. Yes, from E. F. Williams.

2. 50 cents per day for 151 days.

3. June 20, 1914.

DREDGE No 7.

Mr. PROULX:

1. What was the cost of maintenance, and the particulars thereof, of dredge No. 7, for the calendar year 1914?

2. What amount was paid the Southern Salvage Company for attending dredge No. 7, and supplying of coal, etc.?

3. What amount was paid the Southern Salvage Company during the calendar year 1914, on account of the Steamboat Coast Guard?

Mr. ROGERS:

1. Cost of operating and maintaining dredge P.W.D. No. 7 in calendar year 1914: wages, $6,007.01; provisions, $1, 834.98; fuel, $3,297.93; stores and equipmeut, $1,544.42; contingencies, $36.02; water, $167.85; pilotage and towage,—; wharfage, $124.84; rental of tugs, $8.085; repairs, $13,504.78; total, $54,602.83.

2. Paid Southern Salvage Co., for attending dredge P.W.D. No. 7, calendar year, 1914, $8,085. Paid Southern Salvage Co., for supplying coal, etc., calendar year- 1914, $4,465.08.

3. $2,424.10.

HALIFAX CHARTERED STEAMBOATS.

Mr. A. K. MACLEAN:

1. What steamboats has the Government, or any department of the Government, had under charter at Halifax, N.S., during the years 1913, 1914, 1915, and who are the owners thereof?

2. What service did such boats perform and how much per day is being paid respectively, to each?

3. What is the total amount paid or payable to date for each of such boats so chartered?

4. Were any of such steamboats chartered by any agents? If so, what fees or commissions were paid such agents in each case respectively?

5. What is the total amount paid or payable to date for such boat so chartered for maintenance, supplies and wages, respectively?

Mr. HAZEN:

1. Steamer Isaac N. Veasey, owner, Clarence A. Larder, New Ross, N.S.; employed for seven days in 1914. Steamer Noreen, owner, A. B. Crosby, Halifax, N.S.; employed for 6 days in September, 1914, and from the 18th September, 1914, to date.

2. The Isaac N. Veasey was employed carrying sand to the salvages where the department was constructing a new fog alarm station and was paid at the rate of $40 per day.

The Noreen is employed in transporting employees and materials between the agency at Dartmouth and Halifax. The Noreen was paid $25 per day for six days in September, 1914, and $20 per day for the balance of the time.

3. Amounts paid to the 24th March, 1915, for Isaac N. Veasey, $280, Noreen, $4,191.

4. No.

5. Amounts paid or payable to 24th March, 1915, for Noreen, charter $20 per day, $3,200; 6 days at $25, $150; coal and water, $526; wages of 1 man furnished by department, $315; total, $4,191. Crew of Noreen paid by owners. Maintenance and wages Isaac N. Veasey, paid by owner.

LAUZON DRY DOCK BOILERS.

Mr. BOURASSA:

1. Did the Government, through the Department of Public Works, during the month of October last, call for tenders for the construction of three steam boilers to be used at the Bassin de Lauzon, P.Q.?

2. If so, which tender was accepted, from whom, and at what price?

3. If not, why were the tenders called for returned to the tenderers with the cheques they gave as guarantee?

4. Was the construction of such boilers subsequently accorded to a person or a company, of London, Ontario?

5. If so, when were the tenders called for, what is the name of each tenderer, the price of each tender, and for what price was the construction of the said boilers accorded?

Mr. ROGERS:

1. Tenders were called for the renewal of boilers at the Lauzon dry dock, in August last.

2. Tender accepted was from Messrs. E. Leonard & Sons, Ltd., of Montreal, at $5,299.

3. Answered by No. 2.

4. The headquarters and works of Messrs. E. Leonard & Sons, Ltd., are at London, Ont., but tender was submitted by the Montreal agency.

5. Tenders were called for on August 8, to be received until September 2, 1914: E. Leonard & Sons, $5,299; The Jenckes Machine Company, Limited, $5,986; La Com-

pagnie de Machinerie Mercier, $6,865; H. L. Peiler & Co., $8,535; The John McDougall Caledonian Iron Works Co., Ltd., $3,065 (irregular). Tender of Messrs E. Leonard & Sons, Ltd., for $5,299 accepted.

ST. LAMBERT POST OFFICE.

Mr. LANCTOT:

1. Have repairs been made to the St. Lambert post office?
2. Were tenders called for, or else, if the work was done by the day, by whom was the work done?
3. What is the amount paid for such repairs?

Mr. ROGERS:

1. Yes.
2. A tender was received from Mr. Joseph Church, of St. Lambert, to paint all interior and exterior joiners work, plastered walls and ceilings on ground and first floors, oil and shellac hardwood floors, etc., for the sum of $1,235, which was accepted.
3. $1,235 for painting, and $38.95 to A. Gravel for petty alterations.

HAWKESBURY-GRENVILLE BRIDGE.

Mr. PROULX:

1. To whom did the Department of Public Works allot the contract for the substructure of the proposed interprovincial bridge over the Ottawa river between Hawkesbury and Grenville?
2. What is the contract price?
3. What is the time limit fixed by the contract for the completion of the said work?
4. Have the contractors been requested by the department last summer or last fall not to proceed with the work?

Mr. ROGERS:

1. The contract has not yet been awarded.
2, 3 and 4. Answered by No. 1.

EMPLOYMENT OF WM. McNEIL.

Mr. MACDONALD:

1. Is William McNeil, formerly of Pictou county, employed in the Customs Department? If so, in what capacity?
2. What are his duties and where does he perform them?
3. What is his salary?

Mr. J. D. REID:

1. Yes. Clerk in the inside service.
2. Clerical work. Statistical Branch, Ottawa.
3. $900. Mr. McNeil is at present absent on leave.

RESTIGOUCHE DREDGING.

Mr. MARCIL:

1. What is the total amount of dredging performed by the Department of Public Works or on its account at Restigouche, Quebec?
2. What has been the cost by year of this work?
3. Is the work of dredging completed there?
4. Was any other work done by the department at that place? If so, what was it, and what did it cost?

[Mr. Rogers.]

Mr. ROGERS:

1. 64,867 cubic yards.
2. 1907-08, $2,207.24; 1908-09, $4,529.94; 1909-10, nil; 1910-11, nil; 1911-12, nil; 1912-13, $17,598.12; 1913-14, nil; 1914-15, $6,915.60.
3. When the dredging ceased, the needs of the place up to that time had been met.
4. No.

F. W. R. COLCLEUGH.

Mr. TOBIN:

1. (a) Was F. W. M. Colcleugh appointed returning officer in the electoral district of Selkirk, province of Manitoba, in the elections of 1911? (b) If so, by whom was he recommended?
2. Was the said Colcleugh appointed to a position in the Department of Indian Affairs since the date of said election? If so, to what position, at what salary, and by whom was he recommended?
3. Does he still hold that or any other position in the service of the Dominion Government?

Mr. CODERRE:

1. (a) Yes; (b) No information.
2. Appointed to the position of Indian ag nt for the Clandeboye agency at a salary of $1,200 per year. The department is not aware by whom he was recommended.
3. He is still Indian agent for the Clandeboye agency.

CARDIGAN-ANNANDALE MAIL CONTRACT.

*Mr. J. J. HUGHES:

1. How many tenders were received by the Post Office Department during the year 1914 for carrying the mails between Cardigan and Annandale, P.E.I.?
2. What was the amount of each tender, and who were the tenderers?
3. Why was the lowest or second lowest tender not accepted?
4. Was the highest tenderer asked to reduce his tender? If so, why?

Mr. CASGRAIN:

1. Four.
2. John E. Shepherd, two tenders, one at $700, the other at $850; Neil H. Morrison, at $848; Daniel J. McLellan at $1,000.

3 and 4. The lowest tender was passed over because the person submitting it had when acting as courier in the same district given a very unsatisfactory service. The other two tenderers were given an opportunity to submit lower offers. Neil H. Morrison reduced his tender from $848 to $838, and Daniel J. McLellan reduced from $1,000 to $830. The contract was awarded to Mr. McLellan at $830.

CUMBERLAND RURAL MAIL.

Mr. RHODES:

1. How many rural mail delivery routes have been established in Cumberland county, N.S.?

2. What are their names, the length of each, and the date when each was put into operation?

Mr. CASGRAIN:

1. Twenty-one.

2.

Name of Route.	Mileage.	Date of Inauguration.
Amherst No. 1	4½	August 1, 1910.
Amherst No. 2	22	September 1, 1911, extended ½ mile to 22½, P.R.T., October 1, 1914.
Amherst No. 3	28	July 1, 1914.
Athol No. 1	13	October 1, 1911, extended 7 miles to 20 miles, P.R.T., January 15, 1914.
East Southampton No. 1	6	August 1, 1912.
Fort Lawrence No. 1	6½	May 1, 1909.
Greenville Station No. 1	13	December 15, 1914.
Halfway River Station No. 1	16	July 1, 1910, extended 2 miles to 18 miles, P.R.T., March 1, 1913.
Nappan Station No. 1	13	November 16, 1914.
Nappan Station No. 2	14	November 16, 1914.
Oxford No. 1	17	December 1, 1914.
Oxford No. 2	12	December 15, 1914.
Oxford No. 3	9 & 11½	November 16, 1914.
Parrsboro No. 1	23	December 8, 1913.
Port Howe No. 1	13	December 1, 1914.
Port Howe No. 2	16	October 18, 1914.
Pugwash No. 1	28	April 1, 1914.
River Hebert, West Side No. 1	12	February 1, 1913.
River Hebert, West Side, No. 2	18	October 1, 1913.
Shinimecas Bridge No. 1	20	April 1, 1914.
Tidnish River No. 1	24	October 1, 1914.

IMPORTS OF BINDERS.

Mr. W. H. SHARPE:

1. What was the total importation of 7 and 8-foot binders from the United States in the year 1911, at the port of Winnipeg, and the average value on which duty was collected?

2. What was the total amount of duty collected on some, and the average amount per binder?

3. What was the price of the International Harvester Company's 7 and 8-foot binders in the United States, as sold to dealers only, according to price lists in 1911 and 1914?

4. What was the total importation of 7 and 8-foot binders from the United States in the year 1914, at the port of Winnipeg, and the average value on which duty was collected?

5. On what prices did the John Deere Plough Company pay duty on 7 and 8-foot binders at the port of Winnipeg in 1913?

6. Were these entries at customs made at prices below the fair market value of the binders, and in violation of the customs laws?

7. What was the selling price of these binders as sold to dealers only in the United States in 1913?

8. What was the selling price of 7 and 8-foot binders made by other manufacturers, and sold to dealers only in the United States in 1913?

Mr. J. D. REID:

1. Number of harvesters, self-binding, all sizes, entered through port of Winnipeg, year 1911, 208. Total value, $22,558. Average value, $108.40 each. In the total number above stated are probably included harvesters smaller than 7 and 8-foot, but the number of each cannot be given from the records in the Customs Department, as invoices are retained in the department for only three years.

2. Total amount of duty collected on said binders, $3,947.65; average, $18.98 each.

3. Selling prices of International Harvester Company's binders to dealers in the United States: 7-ft. binder with bundle carrier without tongue truck, 1911, $105; 1914, $100.50. 8-ft. binder with bundle carrier without tongue truck, 1911, $107.50; 1914, $103.

4. Seven- and eight-foot harvesters entered for consumption through the port of Winnipeg in the year 1914: total number 193; value, $19,462 (including the value of the bundle carrier); average value as entered, $100.84 each. Total duty collected thereon, $2,516.07; average, $13.04 each.

5. Duty was paid by John Deere Plough Company, Winnipeg, on following values during 1913: 7-ft. binder with bundle carrier without tongue truck, $78.22; 8-ft. bind-

er with bundle carrier without tongue truck, $80,85.

6. These entries by John Deere Plough Company, Winnipeg, were made at prices much below the fair market value for home consumption and were therefore in violation of the customs laws.

7. Selling prices to dealers of John Deere binders in the United States during 1913: 7-ft. binder with bundle carrier without tongue truck, $103; 8-ft. binder with bundle carrier without tongue truck, $105.50.

8. Selling prices for home consumption of International Harvester Company's binders to dealers during 1913: 7-ft. binder with bundle carrier without tongue truck, $100.25; 8-ft. binder with bundle carrier without tongue truck, $102,75.

WAR SUPPLIES—HOUSEWIVES.

Mr. PROULX:

1. Did the Department of Militia purchase any soldiers' housewives from Mr. Stewart McClenaghan, or the Two Macs Company, of Ottawa? If so, what quantity, and at what price?

2. Did the Department purchase any soldiers, housewives from any other party in the city of Ottawa? If so, from whom, what was the price paid, and what was the quantity purchased?

Mr. HAZEN:

1. Two Macs (or Stewart McClenaghan), 100,000 at 53¼ cents each complete.

2. May Court Club, 1,000 at 53¼ cents each complete; United Relief Committee, 2,000 at 53¼ cents each complete.

AMERICAN FISHING VESSELS.

Mr. SINCLAIR:

1. Has a new regulation been made permitting American fishing vessels to sell and re-ship their fares in the ports of British Columbia?

2. If so, what date did the regulation come into force?

3. Does the regulation apply to vessels either wholly or partially driven by gasoline or steam?

4. Does the regulation apply to the Eastern Coast of Canada?

Mr. J. D. REID:

1. On the 8th November, 1897, an Order in Council was passed providing that—

Foreigners of foreign corporations bringing fresh fish in American bottoms to any port in British Columbia shall be permitted to land such fresh fish at such port, without payment of duties, and tranship the same in bond to any part of the United States of America, under such rules or regulations and conditions as the Minister of Customs may determine.

A further Order in Council was passed on the 29th day of January, 1898, viz.:—

That until the 8th May, 1898, foreigners or foreign corporations bringing fresh fish in American bottoms to any port in British Columbia shall be permitted to purchase supplies at any port in the said province of British Columbia, under such rules or regulations and conditions as the Minister of Customs may determine.

The provisions of these Orders in Council have been renewed from time to time, and are in force now for 1915 as to ports in British Columbia, with additional provisions as follows:

Orders in Council dated March 9, 1915.

During the present calendar year (1915) foreigners or foreign corporations bringing fresh fish in vessels registered in the United States of America to any part in British Columbia shall be permitted to land fresh fish at such port without payment of duties and tranship the same in bond to any port in the United States, or to sell such fish in bond to such local dealer or dealers as may be properly and duly licensed therefor, under the regulations and conditions hereinafter mentioned, which dealer or dealers shall export to the same in compliance with the bonding requirements (without the right, however, in either instance to sell in Canada for consumption therein, or otherwise except in bond, any of such fresh fish so landed); and such foreigners and foreign corporations bringing fresh fish in vessels registered in the United States of America to any port in British Columbia, shall be permitted to purchase supplies, and ship crews for such vessels, at any port in the said province of British Columbia, the whole under such regulations and conditions as the Minister of Customs may determine.

These Orders in Council are not based on the payment of any license fee by fishing vessels.

2. Answered by No. 1.

3. These regulations apply to fishing vessels registered in the United States, irrespective of any question as to motive power.

4. These regulations apply only to the western coast of Canada. The regulations applying to the eastern coast of Canada are framed under the authority of Section 3, Chapter 47, R.S.C., 1906. This section applies only to United States fishing vessels entering ports on the Atlantic Coast of Canada.

Mr. A. K. MACLEAN:

1. Has an Order in Council been passed allowing American fishing vessels to buy bait and supplies, and land fares for transhipment at the Port of Prince Rupert, B.C., or other Pacific ports, by paying a license fee for less an amount than that paid in similar circumstances on the Atlantic coast?

Mr. J. D. REID: See answer to last preceding question.

BONDED WAREHOUSES, CAPE BRETON.

Mr. McKENZIE:

1. How many bonded warehouses are rented by the Customs Department in the riding of North Cape Breton and Victoria?

2. From whom rented, for what period, and at what rental?

Mr. J. D. REID:

1. None. The examining warehouse at North Sydney, rented from W. S. Thompson, is used for storage of express goods, unclaimed goods and freight packages for examination. It is not classed as a bonded warehouse.

2. Nil.

PUBLIC WORKS AT CONTRECOEUR.

Mr. VERVILLE:

1. What was the cost of construction of C isse below the parish of Contrecoeur, county of Chambly Verchères, province of Quebec?

2. What was the cost of the bridge at the same place?

3. Were tenders asked for this work?

4. If so, who tendered?

5. What was the amount of each tender?

6. Who performed this work?

7. Under whose superintendence was this work executed?

8. To whom was the cost of this work paid?

9. By whom were the accounts verified?

10. Under what law were these works done?

11. Did the municipality of the parish of Contrecoeur contribute or advance an amount for these works? If so, what amount?

Mr. ROGERS:

1. $2,029.55 was the cost of the protection work paid for by the department at Contrecoeur during the present fiscal year.

2. No bridge constructed, but the cost of a culvert of 6 feet diameter is included in the above.

3, 4 and 5. No.

6. Municipality of Contrecoeur.

7. Ernest Lavigne. Accounts were certified by Mr. J. L. Michaud, district engineer of Montreal.

8. Answered by No. 11.

9. Answered by No. 7.

10. No particular law is required to build protection works.

11. Municipality paid for this work and on the production of duly certified receipts the amount above stated was paid to them by the department.

MONTREAL POSTAL STATION A.

Mr. DEMERS:

1. Has the Department of Public Works recently granted the contract for the supply of furnishings and fixtures for postal station A at Montreal?

2. Were tenders called for that contract?

3. Who were the tenderers, and what was the amount of each tender?

4. To whom was the contract awarded, and at what price?

Mr. ROGERS:

1. No.

2. Tenders now being invited.

3 and 4. Answered by No. 1.

WOODS AND CANADIAN BUILDINGS.

Mr. SAM SHARPE:

1. Was the following resolution passed by the Public Accounts Committee in May, 1910, viz:

"Moved by Mr. Sharpe, seconded by Mr. Carvell, that whereas the expense to the Government during the last year for lighting the Woods and Canadian buildings amounted to $9,465.91, paid to the Imperial Realty Company, which company is not an electrical lighting company; and whereas the city of Ottawa has a standard schedule of prices whereby the lighting would cost only $5,040 or less, thereby effecting an annual saving to the country of $4,425.91 or more; therefore this committee desires to urge upon the Minister of Public Works and the Government the desirability of cancelling the present arrangement and recovering the excess unjustly paid to the Imperial Realty Company, and giving the city of Ottawa or some other company the contract at lower rates; and that a copy of this resolution be forwarded to the Minister of Public Works?

2. If so, did the then Government take any steps to recover the moneys referred to as unjustly paid to the Imperial Realty Company?

Mr. ROGERS:

1. Yes.

2. Yes, on 22nd October, 1910, a statement of the case and the departmental file were submitted to the Department of Justice for an opinion as to what action could be taken to recover the difference between the amounts paid by the Department of Public Works to Mr. Woods and the amounts paid by Mr. Woods to the Municipal or Consumers' Electric Company for lighting the Woods and Canadian buildings, and on 28th August, 1911, the Deputy Minister of Justice informed the department that:

I cannot find anything in the papers to indicate that Mr. Woods undertook to light the building for the Government at cost price, and in the absence of any agreement to do the lighting at cost price, it appears to me that Mr. Woods is entitled to retain any profit he made under the contract.

Under the circumstances, no action was taken to recover from Mr. Woods or the Imperial Realty Company.

FENIAN RAID BOUNTIES.

Mr. SINCLAIR:

1. How much has been paid to date by the Government, or any department thereof, to Mr. G. A. R. Rowlings, of Sydney, N.S., for services in connection with the administration of the Fenian Volunteer Bounty Act?

2. What is the total cost to date of the administering of said Act?

3. How many claims for the said bounty are still unpaid?

Major General HUGHES:

1. $3,615.
2. $8,267.19.
3. 4,571, including 3,173 disallowed claims.

SUPPLY OF AMMUNITION.

Mr. SAM SHARPE:

1. Is any ammunition furnished free or at reduced prices to rifle associations, cadet corps or local militia compliances?
2. If so, on what terms?
3. Is any ammunition available now for distribution?

Major General HUGHES:

1. Yes.
2. To militia units—100 rounds per enlisted man, free issue; to rifle associations, 100 rounds per member, free issue; to members cadet corps, over 15 years, 50 rounds per member, issue free. Ammunition is sold to militia units and rifle associations at $20 per 1,000 rounds.
3. Advisable not to answer this question.

DISMISSALS.

Mr. BOURASSA:

1. Has Alexandre Blais, of the city of Lévis, been dismissed from the position as fisheries officer?
2. If so, why was he dismissed, and at whose request?
3. What was the said Alexandre Blais' salary?
4. By whom was the said Alexandre Blais replaced, and what is the salary or salaries of the person or persons replacing him?

Mr. HAZEN:

1. Yes.
2. Because he was himself engaged in the fishing business in the district that was under his jurisdiction. He was dismissed following the recommendation of the department.
3. $350 per annum.
4. James Kennedy, $150 per annum.

Mr. BOURASSA:

1. Has Alexandre Blais, of the city of Lévis, a customs officer at Bradore Bay, been dismissed from his position?
2. If so, when was he so dismissed, why, and at whose request?
3. What was Alexandre Blais' salary?
4. By whom was Alexandre Blais replaced?
5. What is the salary or the salaries of the person or persons replacing him?

Mr. J. D. REID:

1. The services of Alexandre Blais were dispensed with.
2. His services were dispensed with from December 31, 1914, by the Minister of Customs, under terms of his letter of appointment.
3. $500 per year.

[Mr. Sinclair.]

4 and 5. There has been no appointment to the position.

Mr. VERVILLE:

1. Is Arthur Lesiem still in the employ of the Public Works Department at Montreal?
2. If so, what was the amount paid to him for January, 1914?
3. What was the amount paid to him for January, 1915?

Mr. ROGERS:

1. No.
2. $60 for January, 1914.
3. $27.13 for January, 1915.

Mr. VERVILLE:

1. Is Louis Bedard still in the employ of the Public Works Department at Montreal.
2. If not, when was he dismissed, or did he resign?
3. Was he replaced by any one?

If so, by whom, and on whose recommendation?

Mr. ROGERS:

1. No.
2. Was dismissed on 26th January, 1915.
3. Replaced by Mr. A. Gauthier, on instructions from the Minister of Public Works.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. McKenzie: For a copy of all letters and telegrams, or any other written communications which passed between the Minister of Railways and Canals and J. C. Douglas, Esq., M.P.P., of Glace Bay, Nova Scotia, between the 1st of January and the last of December, 1914, and of all letters and telegrams between the Minister of Customs and Public Works, and the Postmaster General, and the said J. C. Douglas during the above period, in respect to the dismissal, appointment or restoration to office of Government officials.

Mr. Sam Sharpe: For a copy of all letters, petitions, resolutions and other documents asking the Government to take measures to so amend the Senate as to bring it into harmony with the principles of popular Government.

Mr. A. W. Chisholm: For a copy of all papers, documents, telegrams, petitions and correspondence of all kinds in the possession of the Department of Marine and Fisheries, in any way referring to charges against Alexander McDonald, fishery overseer, at Seaside, Inverness county, Nova Scotia.

Mr. Bourassa: For a copy of all documents letters, telegrams, testimonials, reports, etc., relating to the claim of Télesphore Paradis, of the city of Lévis, arising from the burning of his wharf and mills which were set on fire by a locomotive of the Intercolonial railway.

Mr. Bourassa: For a copy of all documents letters, telegrams, reports, etc., relating to the dismissal of Alexandre Blais, of the city of Lévis, from the position of customs officer at Bradore Bay, and the appointment of his successor or successors.

Mr. Bourassa: For a copy of all documents letters, telegrams, reports, etc., relating to the dismissal of Alexandre Blais, of the city of

Lévis, from the position of fisheries officer, and the appointment of his successor or successors.

Mr. Sinclair: For a copy of all correspondence, complaints, evidence, reports and other papers and documents in the possession of the Department of Public Works or any other Department of the Government, relating to complaints and charges against one Captain Thos. Brown in connection with the operations of the dredge Mudlark in British Columbia; and also of all correspondence and telegrams that passed between any person or persons in British Columbia and the Minister of Public Works during the years 1913 and 1914 to this date, relating to appointments and dismissals of officers or employees on board said dredge Mudlark.

Mr. Law: For a copy of all papers, accounts, vouchers, documents, etc., in connection with repairs to Coffin's Island Light, Nova Scotia, in the calendar year 1914.

Mr. A. K. Maclean: For a copy of all papers, letters, documents, Orders in Council, etc., in reference to the dismissal of Joseph C. Lavers and John Connolly of the Customs Service at Halifax, N.S.

Mr. Bureau: For a copy of all correspondence, despatches, telegrams, petitions, recommendations, or any documents whatsoever exchanged between the Minister of Public Works and any of his officers in connection with the construction of public buildings at Three Rivers, from the 1st January, 1913, to the present date.

DOMINION NOTES BILL.

On motion of Hon. W. T. White (Minister of Finance), Bill No. 95, respecting certain issues of Dominion Notes, was read the second time, and the House went into committee thereon, Mr. Blain in the Chair.

On the preamble:

Mr. A. K. MACLEAN: I should like to ask a question with respect to the last clause of the preamble. After exhausting all the gold reserve required against the $50,000,000 note issue which was authorized by the Dominion Notes Act of 1914, what amount roughly speaking will be available as gold reserve, under the requirements of the same Act, in respect to the note issue of $10,000,000 which this Bill is to confirm?

Mr. WHITE: I do not quite understand my hon. friend's question. I made the statement when the resolutions were under discussion that the percentage of gold held against Dominion notes, not otherwise secured, was 65 per cent.

Mr. MACLEAN: How much of that was available as against the note issue which is now being confirmed. What was the amount of it? Sixty per cent, odd, is applicable to the entire issue, authorized and not authorized. After fully complying with the requirements of the Dominion Act respecting the $50,000,000 authorized, what balance will be left applicable as security to the unauthorized issue? Will it be 11 per cent, or 15 per cent, or what will it be?

Mr. WHITE: I think I understand my hon. friend's question, although I am not certain that I do. The Dominion Notes Act, as amended in August of last year, provided for an issue of $50,000,000, 25 per cent secured by gold. That gave an additional issue of $15,000,000 of Dominion notes. These notes were duly issued and everything up to that time was regular and in accordance with the Dominion Notes Act as amended in August last. The sum of $10,000,000 was issued without security.

Mr. MACLEAN: Perhaps I should have confined my question to that; I did really intend to.

Mr. WHITE: I stated the other day that we had accumulated $1,200,000 of gold since as against that $10,000,000. That would be 12 per cent.

Mr. MACLEAN: That is what I wanted to know.

Sir WILFRID LAURIER: I think the correspondence discloses that these advances, made to the two companies, were to be refunded some time in April. Does my hon. friend expect that the contract will be carried out by the companies?

Mr. WHITE: It may be necessary—although that has not been under negotiation—to renew the agreement, but such renewal would not be inconsistent with this legislation. The maturities are April 1 in each case.

Bill reported, read the third time and passed.

WAR APPROPRIATION BILL.

Bill No. 87, for granting to His Majesty aid for military and naval defence—Sir Robert Borden—read the second time, and the House went into Committee thereon, Mr. Blain in the Chair.

12 noon

On section 1—short title:

Sir WILFRID LAURIER: My hon. friend the Minister for Naval Defence (Mr. Hazen) was to give, upon this Bill, some information in regard to our naval expenditure and our naval force.

Mr. HAZEN: My right hon. friend may remember that when my Naval Estimates were before the House on Saturday I said that I would be prepared to give a statement regarding naval expenditures in connection with the war appropriation of last year, some information as to our expenditures during the continuance of the war, and a statement in regard to what the Naval Department has been doing since the outbreak of the war. I may say to the members of the committee that since the outbreak of the war, up to the 1st of February, the Naval Department has spent, chargeable against the war appropriation, the sum of $3,091,608.67. My figures are complete only up to the 1st of February, but I would estimate that for February and March our expenditures would be $700,000, making a total expenditure for the period of eight months of $3,791,608.67. The amount that we have spent is divided under several heads, as follows:

Statement of Expenditure on Account of War from August 4, 1914, to January 31, 1915.

War (including purchase of submarines)	$2,695,096 22
Naval Service (Halifax and Esquimalt dockyards)	215,536 86
Fisheries protection service and Hydrographic surveys (vessels used as auxiliaries to Canadian fleet)	180,975 59
	$3,091,608 67
Estimated for February and March	700,000.000
Estimated expenditure to March 31	$3,791,608 67

I have the details in connection with the expenditures under these different heads, but perhaps it is not necessary that I should go into them now. As a matter of fact, when my Naval Estimates were before the House on Saturday, in answer to questions by hon. gentlemen opposite, I gave a statement of the expenditures upon the Niobe, the Rainbow and the submarines for wages and other items, and it may not be necessary to take up the time of the committee by presenting those details at the present time. For the future, taking the period of 12 months from the 1st of April next, my estimate is that in round figures we will expend $3,000,000 out of any war vote which passes Parliament. My estimate is made up in this way:

H.M.C.S. Niobe	$ 726,125
H.M.C.S. Rainbow	366,450
Submarines CC 1 and CC 2	170,075
Submarine Depot Esquimalt	38,800
Halifax Dockyard, civil employees	257,500
Esquimalt Dockyard, civil employees	173,350
H.M.C.S. Shearwater (depot)	207,425
H.M.C.S. Diana (depot)	264,975
Atlantic defences	386,000
Pacific defences	229,500
General account; Pension contributions to Imperial navy, Separation Allowance and other miscellaneous expenses	179,800
	$3,000,000

I may explain that certain expenditures at Esquimalt are charged up to the name Shearwater, while at Halifax certain charges at the dockyard are charged to what is called Diana. This $3,000,000 is only an estimate and it may vary one way or the other according to the progress of the war. If we find it necessary for any purpose to charter other vessels or to make use of other vessels in connection with any of the services on the Atlantic and on the Pacific, the amount would be augmented to that extent. This is the nearest estimate we can make at the present time.

It will be interesting to the House if I give a statement in a general way of the work that has been carried on by the Naval Department since the outbreak of war.

Preparations having previously been made to meet all contingencies which could be foreseen, it was only necessary to carry out or expand these preparations when war appeared imminent.

At that time the Rainbow had been commissioned for patrol duty in the Behring Sea and was therefore ready for immediate service, whilst the Niobe was laid up at Halifax with a care and maintenance crew on board, which ensured her being kept in such a condition as would enable her to be placed in commission at short notice. On the declaration of war the Niobe and the Rainbow and the officers and men serving in them, were placed at the disposal of the Admiralty. Arrangements were immediately made to commission the Niobe and to complete her crew to full sea-going requirements. This was done partly by the transfer of the Imperial officers and men of the sloops Algerine and Shearwater, which, owing to their small fighting value had been ordered by the Admiralty to pay off at Esquimalt, and partly by the inclusion of 100 Newfoundland Naval Reserve men; the remainder of the crew being recruited from men who had served in the British Navy and were resident in the Dominion. A large number of these volunteered their services and as many as necessary were

entered for service during the period of the war. As soon as she was ready the Niobe joined the squadron under the command of the Rear Admiral Commanding the North American Station, in which she has been doing duty ever since. The Rainbow was despatched south from Esquimalt to guard the trade routes and protect the sloops Algerine and Shearwater which were proceeding north. These two vessels arrived safely at Esquimalt and since that time the Rainbow has been continuously employed in the protection of trade and other duties in the North Pacific, and on the coast of British Columbia, being under the orders of the Imperial senior naval officer on that station.

The Dominion Government on the outbreak of war purchased two submarines which were building at Seattle for the Chilean Government. The crews were recruited from officers and men in the Dominion, the Government being fortunate in this respect in obtaining the services of two retired officers of the Royal Navy who had had previous experience in submarines. These vessels also were placed at the disposal of the Admiralty.

Permission was also obtained from the Admiralty to use the Shearwater as a depot ship for the submarines. These three vessels have all been actively employed in the defence of the British Columbian coast.

Naval depots have been established at Halifax and Esquimalt, in the former place for the accommodation of supernumerary ratings awaiting draft, and in the latter for the training of the Royal Naval Canadian Volunteer Reserve officers and men. A large number of other vessels, both Governmental and private, are being utilized in connection with the naval defence of the coasts. They are being employed on the various services hereinafter specified.

The icebreaker, "Earl Grey," on her sale to the Russian Government, was transferred to this department to be sent to Archangel. A crew of naval ratings was provided and the vessel was successfully navigated to her destination, the voyage of 3,000 miles being completed in 14 days. On arrival at Archangel she was turned over to the Russian authorities. The crew returned by ordinary steamer.

As to the personnel; recruiting has been actively carried on to complete the "Niobe's" crew as previously stated and to obtain the requisite crews for the other vessels employed on subsidiary duties, preference being given to men with previous naval experience. The naval volunteers, which were established just previous to the outbreak of war, developed largely in the West, where some 400 officers and men are enrolled. These volunteers have done good service both ashore and afloat, a considerable number having served continuously in the "Rainbow" since the outbreak of hostilities, whilst others are in H.M.S. "Newcastle" and various vessels at Esquimalt, including the submarines and their parent ship the "Shearwater." Their training is being continuously carried on. The department has acted as recruiting agent for the Admiralty. A large number of Imperial service officers and men have been reached and arrangements made for their transportation from all parts of the Dominion to England.

As to harbour defence; all details connected with naval defence at defended ports are undertaken by this department. At certain ports in Canada: Halifax, Quebec and Esquimalt, an examination service was instituted before the outbreak of war and has been uninterruptedly continued. This is for the purpose of ensuring that no vessel with hostile intent shall enter the harbour and also to facilitate the ordinary flow of commercial ships. To this end every vessel entering the harbour is boarded outside the port and her papers, crew, etc., examined. If satisfactory she is allowed to proceed; otherwise, she is detained for further examination.

The mine sweeping was undertaken at the request of and after consultation with the Admiralty. At certain ports a mine-sweeping flotilla is provided. This consists of comparatively small vessels whose duty it is to keep the approaches to the harbour clear of enemy's mines. This entails daily operations on their part.

A number of vessels are employed on patrol duty on different parts of the coast, including the Gulf of St. Lawrence and Bay of Fundy. They are charged with the duty of keeping watch for hostile craft of all sorts.

In reference to wireless telegraphy and censorship it was found necessary at the beginning of the war to close a large number of stations. On the west coast the situation having now relaxed they have all been re-opened. In conformity with the procedure in other parts of the Empire, a censorship is imposed on all wireless telegraph messages emanating there from.

All enemy merchant ships were ordered

to be detained on the outbreak of war, the arrangement for this being concluded with the Customs Department. The only German ship in Canadian harbours was the barque "Bellas" which was seized at Rimouski and has since been condemned in the prize court. The Austrian steamer "Ida" was seized also, but subsequently released under the days of grace allowed. Many important questions regarding contraband and neutral commerce are continually arising which indirectly affect the department and are dealt with accordingly.

As to coast defences; at certain places guns have been mounted and manned by naval volunteers; whilst in other places protection has been prepared by the provision of motor torpedo boats and mines prepared for laying in case of emergency. These operations also were carried out largely by naval volunteers.

A system for the collection and distribution of naval intelligence has been organized, acting in concert with the Imperial authorities.

In connection with the stores branch for H. M. C. ships and dockyards, the organization and systems under which the work of this branch at headquarters and at the dockyards is performed, had been maintained in full force as far as possible before the outbreak of war. While the ships were manned by reduced crews, it had not been considered either necessary or advisable to maintain in the dockyards the full stock of stores required when ships were in full commission. When affairs assumed a threatening aspect in the last week of July, steps were immediately taken to supplement the stock of stores necessary to complete the ships for active service. H.M. C.S. Rainbow being already in commission and the state of affairs on the Pacific coast being critical, no efforts were spared to supply at the earliest possible date all stores required at Esquimalt. Large quantities of stores were transferred from Halifax dockyard and special purchases were made as necessary. All stores necessary for the commissioning of H.M.C.S. Niobe were obtained without delay. Clothing and equipment have been supplied for all entries of active service ratings and the Royal Naval Canadian Volunteer Reserve. Suitable arrangements were made for the messing of shore parties in various localities. H.M.C.S. Earl Grey was fully stored for her voyage to Archangel, and suitable supply arrangements made for the submarines and all fleet auxiliaries.

[Mr. Hazen.]

The following statement shows the extent of the purchases made under the store vote from August 1 to date shown:

Headquarters orders, 508 in No. (January 31)	$ 652,700 00
Halifax local purchase orders (January 14)	67,046 00
Esquimalt local purchase orders (January 15)	122,808 00
Local purchases by and on behalf of ships, west coast (December 31)	51,537 00
Local purchases by and on behalf of ships, east coast (December 31)	43,471 00
Orders and commissions placed with the Admiralty (January 31) aggregating approximately	200,000 00
Total	$1,137,562 00

The following statement shows the value of stores issued and received at the dockyards to December 31:

Receipts at Halifax dock yard, Aug. 1 to December 31	$270,622 77
Issues during same period	252,014 99
Receipts at Esquimalt dock yard, August 1 to December 31	272,527 18
Issues during same period	302,777 02

The figures in this statement do not include stores handled for the Imperial Government, nor purchases made direct by ships as in the case of fresh provisions.

As to supplies to Imperial ships, offers were made to the Admiralty by cable to supply H.M. ships on Canadian stations with all provisions, clothing, and such naval stores as are readily obtainable in Canada. These have been accepted in so far as provisions are concerned, and partly as regards clothing and naval stores. Contracts for provisions were let by advertised tenders, and stocks are maintained at both dockyards to be drawn on as required. Fresh provision contracts for all ships have been arranged at Halifax and Esquimalt.

Not including fuel, fresh provisions, stores, the property of the Imperial Government in the custody of the naval store officers and direct purchases made by ships from Canadian firms, stores of the values shown below have been drawn from the dockyards.

Issues from Halifax dockyard to Imperial and allied ships, August 1 to November 30:	
Admiralty	$24,473
Russian Government for the Earl Grey.	9,859
Issues from Esquimalt dockyard to Imperial and allied ships, August 1 to November 30:	
Admiralty	$80,000
*Japanese	19,800

*Includes some fuel.

The next matter to be considered is fuel and oil for the fleet. At the outbreak of

war Imperial and Canadian stocks of Welsh steam coal were low. The purchase of five cargoes of suitable steam coal were made to provide for the requirements of the fleet till supplies from Admiralty sources were again available. Coaling operations on both coasts have been extensive and have necessitated special arrangements for extra accommodation and facilities. Supplies of oil fuel, and lubricating oil have been contracted for as necessary. The following amounts of coal have been handled to date:

At Esquimalt—		
Received	45,826	tons.
Issued	40,628	"
Total	86,454	"
At Halifax—		
Received approximately	80,000	tons.
Issued approximately	68,000	"
Total approximately	148,000	"

Mr. SINCLAIR: Will Canadian coal be suitable for war purposes?

Mr. HAZEN: With the ships equipped with the present boilers and machinery, Canadian coal is not considered suitable. The difficulty from the naval standpoint, as I understand, is that the use of Canadian coal shortens the life of the boilers. Also, it creates too much smoke. The use of the Nova Scotia coal with the present boilers and machinery would make so much smoke that the vessels could be detected by the enemy's vessels at a great distance away. That might be overcome, and I should think it could be overcome by using boilers of a different character. But, being British-built vessels, the Niobe and the Rainbow are equipped with the same sort of boilers as other British ships, and the use of Nova Scotia coal is not desirable.

Mr. SINCLAIR: Were any experiments made to test Canadian coal?

Mr. HAZEN: I am told it has been attempted, and that at one time, some years ago, Canadian coal was used in the Niobe, but the results were not satisfactory. I would not suggest that that is the fault of Canadian coal; it is due to the fact that the vessels have been equipped to burn Welsh and Scotch coal, and the Nova Scotia coal being of a different character they could not use it.

Sir WILFRID LAURIER: What of the Pacific?

Mr. HAZEN: They are sending coal from Great Britain to the Pacific. But at the outbreak of the war we had to purchase a certain quantity in the United States, coal of a harder description than the bituminous coal found in British Columbia.

The charter of 33 vessels for various services has been arranged for from time to time in accordance with the requirements of the service.

Sir WILFRID LAURIER: Where were they obtained?

Mr. HAZEN: In Canada, from private owners. Besides those that were chartered, we have vessels belonging to the different departments of Government which have been used.

Mr. GRAHAM: How many?

Mr. HAZEN: Those chartered number 33. I will give a list of them.

Mr. A. K. MACLEAN: The itemized statement of vessels and naval stores will appear in Hansard, I suppose?

Mr. HAZEN: Yes, I will hand this to Hansard.

All empty Admiralty colliers returning to Europe from this side of the Atlantic have been provided with cargoes. These included two shiploads of gifts from Canada to the Belgian relief funds. Arrangements have been made for the transportation to England of large quantities of stores purchased by the Imperial Government in this country and the United States.

The naval store officers at both dockyards have arranged on behalf of the Admiralty for the receipt, custody, and issue as required of large quantities of supplies of all kinds for the Imperial ships on the Atlantic and Pacific stations.

Regarding the naval dockyards at Halifax and Esquimalt, the work has since the outbreak of the war increased considerably, necessitating an increase in the personnel of these establishments and considerable overtime and nightwork. Halifax is being used as the base for vessels of the North Atlantic fleet, and the dockyard is being used for carrying out repairs to these vessels, including the Niobe, and also those necessary to the various auxiliary vessels which have been employed on the defence examination service, etc. At the Esquimalt yard the expenditure and personnel have increased correspondingly. Repairs have been effected to the Niobe, the submarines, the Newcastle, and other vessels, and, on the whole, the work has been efficiently carried out, having regard to the facilities available.

Soon after the outbreak of war, I felt, after consultation with my officials, that it was necessary to have some officer of higher rank than we had at that time at Esquimalt. We were fortunate in securing the services of a retired rear admiral of the British navy, Admiral Storey, who was living in Canada at that time. We sent him to Esquimalt, and since then matters have progressed very smoothly. The numbers employed in the different dockyards are as follows: in the Esquimalt dockyard there were 258 in August, 428 in September, 370 in October, 362 in November, and 289 in December, 1914. At the Halifax dockyard: in August, 419; September, 405; October, 396; November, 369 and December 378.

I now wish to make a statement with the regard to the radio-telegraphic branch of the Naval Department, and its connection with the war. Immediately on the outbread of hostilities, the following thirteen stations on the east coast were closed down, and the essential parts of the apparatus removed: Father point, Clark city, Pictou, Cape Bear, Cape Sable, Partridge island, (St. John), North Sydney, Sable island, Cape Ray, Point Riche, Harrington, Grosse Isle, Grindstone island.

These stations were closed down for two reasons. It was felt that it would be very unwise to leave them in such condition that if they fell into the hands of the enemy they could be used for their own purposes. In consequence, therefore, of a plan formulated by the Interdepartmental Committee before the war broke out, immediately on the outbreak of hostilities these stations were visited by different vessels and practically dismantled. As the wireless messages sent out by these different stations often interfere with each other, it was felt, too, that the operations of the stations that were left would be more efficient than they would be if the others were also in commission. The following eastern stations remained open for naval and commercial work: Montreal, Three Rivers, Quebec, Belle Isle, Point Amour, Fame point, Heath point Cape Race, Camperdown, and the transatlantic stations at Glace bay, Louisburg and Newcastle, a military guard being provided for their protection, and the necessary censor staff to censor all messages handled. On August 7, the small station apparatus from North Sydney was transferred to the transatlantic station at Glace bay, and the station at Cape Ray temporarily reopened to provide emergency communication between the transatlantic station and the outside world, in case of interruption of communication between the station and Sydney. The anticipated situation modified itself, and Cape Ray station was again closed down on September 12, 1914.

One of the alarming reports we received—it came from the Admiralty—was to the effect that hostile merchantmen were making arrangements to attack the wireless station at Glace bay. We got into immediate communication with Halifax. The next day, when we were in council, someone came in and said—this was reported in a special edition of the Ottawa Journal—that Glace bay was being shelled. During the early stages of the war this was the kind of rumour which frequently reached us, from sources which might be regarded as fairly authentic.

On another occasion we received information from a lighthouse-keeper way down the St. Lawrence river that a German man-of-war had passed through Cabot strait and was heading towards the river. We got into communication with points along the river, and notified the collector of customs at the port of Quebec. I have reason to believe, however, that the steamer seen by the lighthouse-keeper was not a German vessel, but one of the British vessels which were in the vicinity at that time. The lighthouse-keepers have all been furnished with diagrams or silhouettes of the war vessels, and this lighthouse-keeper thought that the vessel he saw was a German warship.

The eight stations on the Great Lakes were kept in commission, the officers in charge of the same acting as censors, a militia or police guard being provided in each case to protect the property.

The following seven stations on the west coast were closed down at the outbreak of hostilities: Prince Rupert (Digby island), Dead Tree point, Ikeda Head, Point Grey (Vancouver), Triangle island, Alert bay, Estevan point. The following three stations were kept open for naval purposes: Gonzales hill (Victoria), Cape Lazo, Pachena point; each of them provided with a censor staff and a military guard. Telegraphic communication with the Queen Charlotte islands being entirely cut off on the closing of the Dead Tree Point station, and the naval situation becoming less acute, the Digby island (Prince Rupert) and Dead Tree Point stations were re-opened on September 22, 1914. On October 11, 1914, Alert bay, Estevan point and Triangle island were reopened; on October 13, Ikeda Head, and

on October 16 Point Grey; since which time all the stations on the coast have been in commission and, subject to censorship and naval regulations, are handling all the business possible.

Under authority given by Order in Council No. 2030 of August 2nd, 1914, and by subsection 3, Regulation 4, Part 1, of the radiotelegraph regulations, instructions were issued to the holders of amateur radiotelegraph licenses to dismantle completely their stations and take down all aerial wires. These licensed stations immediately complied with this order. Arrangements were made with the Department of Militia and Defence and the Chief Commissioner of Dominion Police to have their officers in the different cities, towns and districts of the Dominion close down any stations remaining in operation, which resulted in the closing of numerous unlicensed stations throughout the country.

The authorities also maintain a close watch for stations suspected of being in operation; such cases are immediately reported to this department and immediate steps are taken to close them down and to investigate the circumstances surrounding their establishment.

My hon. friend asked me for a list of the vessels which we have had engaged from time to time. There have been engaged the following vessels of the fisheries protection service: Curlew, Malaspina, Constance, Gulnare, Valiant, Galiano, Newington, Petrel, Restless. Of the Fisheries Patrol service: Falcon, Heron, Wing, Egret, Plume. Of Marine and Fisheries: Lansdowne, Aberdeen, Bellechasse, Druid, Estevan, Lady Laurier, Quador, Stanley, Lady Grey. Of the Hydrographic Survey: Cartier, Acadia, Lillooet. Of Public Works, the Speedy; of Customs, the Arthur, which was formerly called the Margaret.

The following is a list of vessels under charter for defence: Advent, Halifax, N.S.; Baleine, Sydney, N.S.; Deliverance, Liverpool, N.S.; Legal Limit, Esquimalt, B.C.; Sable I., Halifax, N.S.; Uncle Sam, Halifax, N.S.; Viking, Oak Bay, B.C.; Gladiator, Narada, Premier, Midland, Scotsman, Shannon, Melaniope, King Malcolm. The following is a list of vessels hired for defence not under any charter: Barge No. 2, tug Cruiser, Christine, Gopher, Klondyke (barge), Pilot, Scow 7, Scow 8, Scow 1, Scow 2, tug Sin Mac, Tug, Barge A.D., Barge Rose de Lima, Barge Flora Carveth, Barge No. 5. I here submit a statement showing the rates at which these vessels were engaged, the names of the owners, and everything of that sort, and shall be glad to give the information to the House, if desired.

I would take this opportunity of saying that we had placed at our disposal by private owners, vessels that have been of very great use to us. Great patriotism was shown in connection with the matter by men desirous of helping during the present crisis in the nation's affairs. The Davy Jones, which we have used in connection with the northern defence scheme on the West coast, was lent to us by Mr. Evans B. Deane. The Ivy Leaf, the Laurel Leaf, the Holly Leaf and the Viner were lent to us by the British Columbia Packers Association. The Aquilla was a free donation from Mr. J. Rogers, Commodore of the Vancouver Yacht Club. The Nahleen was lent by Mr. J. Musgrave. The Jessie, by Messrs. A. W. Bridgman, J. H. Simson and T. J. Ryan, and the Legal Limit by Mr. A. H. Pease. On the East coast two vessels were lent for defence, the Semiramis by Mr. C. B. Gordon and the Albacore by Lieut. J. M. K. Ross, R.N.C.V.R., of Montreal. That is a very fast vessel and is rendering very valuable service Mr. Ross received a commission in the Naval Service and is now on board another boat, the Tuna, which he sold to us for the nominal sum of one dollar and he is doing valuable work in connection with the defences of the Atlantic coast. His course has been of the most patriotic description and I feel it is only right to make reference to it here. He made a contribution of $500,000 for the purposes of the patriotic fund. But his interest in the war and his desire to help did not cease with that; he has also placed the Albacore and the Tuna at our disposal and is himself serving in the Canadian navy in command of the Tuna, and is rendering very valuable assistance in connection with our intelligence service on the Atlantic coast. We also received an offer from Mr. J. C. Eaton, a public spirited citizen of Toronto, of the steam yacht Florence, which, however, was not required for our use. We were also offered by Mr. Gooderham the use of his yacht, a very handsome vessel, which we have not yet had occasion to employ.

We also received valuable contributions in kind from three Canadian firms as follows: the Cowan Company, of Toronto, 3,024 lb. navy chocolate; Messrs. Brandram-Henderson Company, 30,000 lb. white lead; Messrs. Martin-Senour Paint Company, 4,000 lb. anti-corrosive copper com-

position, and 4,000 lb. anti-fouling composition. The value of these gifts ran into quite a large figure.

I would take this opportunity of saying that the department feel and I feel very much indebted to Colonel Aemilius Jarvis, of Toronto, who rendered great assistance in connection with the enlisting in Toronto of naval reserve men who were subsequently sent to Halifax and placed on board the Niobe. His services were invaluable. He collected the men and gave his time to the work, and I take this opportunity of thanking him on behalf of the department for what he has done. I would also take the opportunity of saying that since the outbreak of war a great deal of extra work has been cast on the officials of the Naval Service Department; but from the deputy minister down, the civil and naval officers of the department have all discharged their duties in the most indefatigable manner, without complaint about the extra work. In the early part of the war many of them were engaged day and night, serving much longer hours than under ordinary circumstances, but without complaint and in a way that was satisfactory to me as head of the department and ought to be most satisfactory to the members of this House and people of Canada generally. I make this statement without drawing any distinction. All through the department the same loyal service has been given and there has been the same desire to do what could be done.

The House is aware that four young men who were graduates of the Naval College at Halifax and were serving as midshipmen on the Good Hope gave up their lives. We have now serving on the Berwick nine young men from the Naval College, and there are six more of the same class in other ships, and ten other Canadians are serving in Her Majesty's navy. I believe that if they come in contact with the foe they will do their duty in a way of which we shall be proud as Canadians and which will be in accord with the very best traditions of the British naval service.

Mr. BURNHAM: The sooner we get to the country and get this Canadian navy idea knocked on the head for good and all, the better. For my part, I have been intensely disappointed to see the right hon. leader of the Opposition, and his lieutenants and supporters generally, egging on this Government to a great naval expenditure; and, strange to say, the Government does not seem to have fortitude enough to resist it. The other day we had an example of the positively triumphant manner in which the Minister of Marine was compelled to say that he would take the sum of $1,000,000 which he had formally and technically provided for certain purposes, and would actually make use of it and spend it. A navy and an army are two different things. The army in this country has been a great success. It was suddenly called into existence, yet it is ready to fight, and when the war is over it will melt as suddenly away, or can be readily reduced to a peace footing; and the ordinary people of this country will have the satisfaction of being able to go about their business without having to appropriate continually a very large part of their earnings for the purpose of some absurd, bombastic expenditure on an army in the name of nationhood. But a navy is a different thing and must be established beforehand. It is a breakable sort of thing that may break up at any time, yet it must be fully and permanently established; and of course the members on the two coasts, of both parties, are only too pleased to see the people in the middle of this country—in the middle West and in Ontario and in Quebec—breaking their necks to pay taxes to establish fleets and naval units, or whatever you choose to call them, on the coasts. We can mine the approaches to this country—if we like; we can stop all ingress, and we can defend the country with our military; but what on earth do we want a navy for? A country with a population of 8,000,000, why does it propose to blow itself up like the frog in the fable and actually try to rival Great Britain and the United States and other great nations with a naval establishment, with something that must be put on a great practical basis, with all its training colleges and training ships and equipment, involving an immense expenditure?

And here we are told in an easy off-hand way, that for the future it will be necessary to appropriate so many millions more, and, as I have said, I am amazed and disappointed to find that the leader of the Opposition is the apostle of this new propaganda. The other day a very eminent Liberal in this House said to me, "Burnham, we will yet have the Canadian navy in spite of you fellows," and I believe they will. I believe they will have the Canadian navy in spite of the country, unless we go to the country pretty soon and give the people a chance to knock the whole thing on the head. It cer-

tainly should be made an issue before we commit ourselves to it. The people of this country regret that they have to make a great military expenditure. They regret that the necessities of the hour are such that they must comply with the demands for defence. But the people are paying willingly, and are satisfied that, apart from a few boots or bootlaces and things of that description they are getting their money's worth. There has been a great and energetic attempt to place Canada on a war footing, and it has succeeded in a way that very few could have thought possible. A few years ago we were an amateur nation. Now we have suddenly entered the great arena of war and are able to take our part. That is one thing. But that a little nation like this should have two strings to her bow, have not only a great military establishment, but a great naval establishment as well, is in my opinion a betrayal of the honest toiler of this country; and I beg the Opposition to recant, to cease to egg on this Government to an expenditure which is absolutely unjustifiable in every way. The time may come when we shall have a hundred millions of people, and if they should want a navy and can afford to pay for it, all right. But surely we have enough to pay for now; surely the increase in taxation is enough to satisfy the most ardent supporter of taxation for purposes of expenditure. But no, it is not; they want more. And next year when we come back they will have thought out a great system of naval expenditure that will be highly satisfactory to the maritime parts and exceedingly pleasant to our friends of the Liberal party, who will then be able to say: "We told you so; we have now a great Canadian navy; are you not proud of it?" But mark my words: I am a very humble individual, but I assure you that I know what the people in the middle of this country think. If they only had an opportunity of voting on the naval question, they would send this Canadian naval establishment higher than Gilderoy's kite. That is what they would do. I regard this thing as unwise and uncalled for in every way, and as something that in its way is unequalled. Of course, the minister has done his work well. We are accustomed to seeing him do his work thoroughly. But he has allowed himself to be shoved into this expenditure simply because there was no opposition to it. In this case we have not two parties met for the purposes of discussion, but a Government and an Opposition, both together apparently trying to unite a great overwhelming tide in favour of a navy, which in my opinion is unnecessary and absolutely unjustifiable.

Sir WILFRID LAURIER: I cannot let the occasion pass without offering thanks to my hon. friend for directing his criticism not against the Government, but against the Opposition. That is certainly flattering to us on this side of the House. According to my hon. friend we are carrying on the Government, we are imposing our views upon the Government, and the Government are submitting to our dictation. If we had an opportunity of going to the country I am afraid the Government would be knocked down for being so submissive to the Opposition.

Mr. BURNHAM: I think so too.

Sir WILFRID LAURIER: We are a people of some eight million souls. We have a country fronting on two oceans. Does my hon. friend believe that a country so situated can do without any naval service?

Mr. BURNHAM: Perhaps not indefinitely.

Sir WILFRID LAURIER: It has to be one thing or the other. You have to choose between a Canadian navy and contribution to the Imperial Government. At one time I thought the Government had taken their stand for imperial contribution. But no, they seem to have submitted to the Opposition, to have been egged on and bulldozed by the Opposition into a Canadian naval service. Well, I can stand it if the hon. gentlemen opposite can. The minister has given us a very interesting statement, very full, very complete, and I sincerely offer him my congratulations upon it. But he has spoken to us only of the naval service. There is another service to which my hon. friend must give his attention, and that is the protection of the fisheries. My hon. friend has not told us what he is doing about that.

Mr. HAZEN: When my Fisheries Estimates were before the House, I fully explained what we were doing in connection with the fisheries protection service. We are carrying on that service on both coasts, but it has been interfered with a little on account of the war. Some of our vessels in the fisheries protection fleet had to be withdrawn for other purposes, such as coast service, patrol work, and that sort of thing. During the last few years the fisheries protection fleet has been considerably strengthened; very much so on the Pacific

coast, by the addition of two new boats, the Galiano, and the Malaspina. These boats are much better fitted to give the necessary protection than the vessels we had previously. There have been no additions to the fisheries protection fleet on the Atlantic. We have boats there like the Canada, the Curlew, and the Petrel, whose business it is to protect our in-shore fishermen from having their territorial waters trespassed upon by fishermen from outside. That work has been carried on by the Naval Service Department under the direction of Admiral Kingsmill, who visits the different vessels from time to time and sees the work that is being done. I think the work is being carried on as efficiently as in the past; but we should have a faster vessel there, and it was my intention to ask Parliament to make an appropriation for that purpose, but in view of present conditions I hesitated to do so this session. I can assure my right hon. friend that the work is being carried on efficiently and satisfactorily.

Major General HUGHES: I should like to inform the House that I have just received an official communication notifying me that the Canadians, after holding their position in the trenches for one month, have been relieved for a certain period by some other division. It is the opinion not only of the officer commanding the division, but of the general commanding the British forces in France, that they have done their duty splendidly. Perhaps I may be permitted to refer to the report in regard to our expenditure, which was placed in the possession of every member of the House some time ago. Before the House rises for recess I should like to place on Hansard a statement of our Estimates, and I shall be pleased later on to answer any questions that may be asked:

War Appropriations.

Required, 1915-16	$100,000,000
Voted 1914-15	50,000,000
Pay of 100,000 troops at $1.25 each, 12 months	45,700,000
Rations for 50,000 troops 12 months	7,300,000
Transport, rail and ocean, going and returning	18,625,000
Rifles, bayonets and scabbards, 90,000 at $33.25 each	3,100,000
Stores and equipment	15,000,000
13, 18 and 60, pounder guns with accessories, 75 per cent of value	3,750,000
10,000 remounts at $200	2,000,000
	$95,475,000

Particulars of Transport.

Required for outward transport of 67,000 troops and equipment of 2nd contingent and re-enforcements, all ranks, including equipment, etc	8,375,000
For mobilization transport in Canada	1,000,000
For return transport of 75,000 troops, all ranks, including equipment	9,250,000
	$18,625,000

Note: Estimated at $125 per head each way for land and ocean transport, including horses and equipment.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. A. K. MACLEAN: The Prime Minister has stated that the Government would welcome any discussion or inquiry as to the procedure to be adopted in the expenditure of this money. The vote in this Bill is a vote of credit and not an ordinary supply Bill. It is not a vote of credit given to any one department, and no department has or ought to have control of it. Consequently the method of expenditure in connection with this credit vote should be different from that followed in the case of ordinary supply voted by Parliament. We should have a statement from the Government showing the system under which they have expended the fifty millions voted in August last, and as to the system they propose adopting in connection with the expenditure of this credit vote of one hundred million dollars. It is true that in the printed document laid upon the table of the House there is a recommendation made by a committee, composed of the Auditor-General and some deputy ministers and officials of other departments, laying down a system of expenditure. For instance, a portion of this recommendation is as follows:

> The principle of public tender should be adopted as far as practicable in the construction of works or the purchase of materials and supplies, particularly when it reached or exceeded the amount of five thousand dollars.

It is quite apparent that this recommendation has not been followed in every instance. The House will, I think, be disposed to judge leniently of what occurred in the early days of the war, because it was not possible or easy for the Government to follow all the suggestions, but in the main it was a fair and businesslike suggestion, and should have been followed wherever possible. I submit that in connection with this expenditure of $100,000,000 which is to be voted as a credit to the Government, the principle of public tender should be adopted almost without exception. We are now past the stage when the Government might urge that they could be taken by surprise in connection with the

purchase of supplies for our troops, and it is now possible to exercise a great deal more care in future expenditure than was shown in the expenditure immediately after August last. I wish to ask if the Government requires any of these spending departments, such as the Militia Department and the Department of Trade and Commerce, to submit to the Governor in Council or to the Treasury Board an advance estimate of the probable expenditure which they are likely to make. This vote, as I have said, is not analogous to the money votes in an ordinary supply Bill passed by Parliament. The position of affairs under it has been well defined in a Treasury minute of the British Government of date 20th August, 1914 relating to a credit vote which was made in just the same terms as our own. That Treasury minute states a definition of a vote of credit:

> The nature of a vote of credit is thus described in the Treasury minute of the 1st of February, 1880:
>
> "A vote of credit differs from ordinary army and navy votes, inasmuch as it is taken, not by the army and navy departments, but by the Treasury. The House of Commons, in fact, dispenses for the time with its power of control and grants a sum of money in gross and without the usual limitations to the Treasury as being the central department of finance, to which it leaves the responsibility of distributing the money in a manner best calculated to meet the emergency.
>
> 'In discharge of this grave responsibility, it appears to my Lords that they are called upon to require the department about to be entrusted with the actual expenditure of any part of the vote to submit to the Treasury—(which would be the Governor in Council in this case)—in the first instance a general scheme of the expenditure which such department proposes to incur."
>
> This general scheme is meant, whenever practicable, to precede the vote of credit and to be presented to Parliament as a record of the grounds on which the vote is asked; it stands, indeed, for the Estimates, more or less detailed for an ordinary vote on Supply. After the vote of credit has been granted it remains with the Treasury to deal with the issues from it; and my Lords are of opinion that such issues should be demanded by the spending department, in letters to the Treasury, explanatory of the proposed mode of spending them.

That is the substance of that portion of the Treasury minute of the 20th of August, 1914, or, speaking more correctly, it is a quotation from this Treasury minute containing the description of a vote of credit made by the Treasury Board away back in 1880. I wish to inquire if it is the intention of the Government to require of any spending department a detailed statement to the Governor in Council of this anticipated expenditure to be made by that department with all necessary information, before the Order in Council is passed authorizing the expenditure. In other words, according to the British parliamentary practice, this vote of money is given not to any department, but to the Governor in Council, and no one department is authorized to make any expenditure out of that amount before it has received the order of the Governor in Council.

As I have already stated, this was done partially in the vote of credit of $50,000,000 made last year, but not wholly. As I have said, we will deal leniently with any departure from this policy in the early stages of the war, because the Government were probably in the same position as the British Government found itself in at the same period, unable to follow what was the well established procedure.

Now, another point, and one which also is referred to in the minute of the British Treasury of last August. They urge very strongly that no expenditures be made out of this vote of credit which is not strictly referable to the war. In answer to a question placed on the Order Paper by the leader of the Opposition (Sir Wilfrid Laurier), we had the statement that $50,000, being the contribution to the Belgian Relief Fund, had been paid out of the credit of $50,000,000 last year, and further that the payment for the million bags of flour sent as a gift to Great Britain was also made out of this vote. I do not propose provoking a discussion as to the propriety of making these two payments out of the war credit vote, but I wish to express my doubt, my very strong doubt, of the propriety of making these expenditures out of that vote. I think it is hardly businesslike, it is hardly what the country anticipated, that our cash contribution to Belgium and the payment of our gift of flour should have been made out of this amount which we are borrowing at the moment directly from the British Treasury. I mention these cases to emphasize the fact that the Government should exercise great care in determining what expenditures should be made out of this war credit vote.

That is all I wish to say at the moment; but I think it would be well if we had from the Government a declaration as to the general policy and system to be adopted in respect of this expenditure—what control the Governor in Council intends to exercise over the expenditures made by the several departments, and what authority

they will require from each spending department. Also, I should like to hear from the Government a declaration of its policy as to the system of tender and contract as recommended by the committee appointed on the suggestion of the Minister of Finance. This, as I have stated, was not adhered to, and I should like to have from the Government a declaration that in this credit vote of $100,000,000 they propose to adhere rigidly to the system of tender and contract.

Sir GEORGE FOSTER: No one will quarrel with the proposition contained in the recommendation of the British Treasury read by my hon. friend the junior member for Halifax (Mr. A. K. Maclean). That is the constitutional method of proceeding, and that constitutional method of proceeding rules in our Parliament and in our executive departments as it does in Great Britain. I agree with my hon. friend also in his statement that this is not an ordinary vote; that these conditions are not ordinary conditions; that this vote of $100,000,000, like the vote of $50,000,000 already given, is the people's money in a very different way from money expended in the ordinary exercise of the executive functions of Government. It is the people's money in either case, but it is the purpose, and the strain of accomplishing the purpose, which to a certain extent gives a different earmark to these war credits from those borne by ordinary expenditures of Government. I quite agree with that proposition, and I think it is fair to say that if the very greatest caution, prudence and oversight should characterize the spending of moneys ordinarily appropriated by Parliament, if possible still greater care, prudence and foresight should characterize the appropriation and spending of this money. I do not suppose there is anybody on either side of the House who will find fault with that expression.

As to the manner in which this vote is to be expended. This is a vote, as my hon. friend says, for no particular department, and no department has any right to spend any portion of this money except by the authority of the Governor in Council. That is the general principle to be laid down, and that is the general principle that has been followed so far as circumstances would permit, and will be followed still more closely in the expenditure of $100,000,000 involved in this Bill. I do not think that members on the other side of the House who take a dispassionate view of it, and I am certain no business man who takes a fair view of it, as they generally do, would expect that under the circumstances which suddenly faced us in August of last year and for the three or four months immediately following, that we could follow exactly the methods of expenditure ordinarily followed. We had to act on the spur of the moment, without previous preparation and in many cases without time or opportunity for consultation. So, the expenditure for the war during these three or four months was governed by peculiar conditions. As stated by the Prime Minister, and as shown by the documents laid before the House, these expenditures were made, and had to be made, without the more leisurely exercise of the authority of the Governor in Council. And it is quite possible that circumstances may develop from time to time which will make it necessary that certain expenditures shall be made outside of the general rule that is laid down. But these are less likely to occur in the future than in the past on account of the considerations to which I have referred.

As to this war vote, if any part of it is expended by the Minister of Justice, or the Minister of Naval Affairs, or any other department of the Government, it is only made after allocation of a certain sum of money to that department for certain purposes which are detailed more or less to the Governor in Council before the authority is given. I imagine that squares with the Order in Council and with the constitutional practice. For instance, if it is thought right that a certain part of this money is to be set aside for the purpose of internment, the Minister of Justice brings his report to Council, stating the circumstances and the requirements, and from time to time he gets a vote or an allotment by the authority of Council, which he expends. And when other money is needed along the same line, the Minister of Justice brings his report to Council. He informs Council what has been done, and if more money is needed an additional Order in Council is given, allocating money for the necessary expenditure. This is the practice that has been carried out in the latter part of the administration of the war vote, and this is the system which would be carried out in the allotment and administration of the war vote which the House is called upon to make to-day.

In the written document prepared by the Militia Department, which is over an affair of prices, it is stated there what was

done and why it had to be done. Council was faced with actions which had been done and which it was absolutely necessary should have been done. As the Prime Minister explained to the House, a full tabulated statement of these expenditures was made; they were sent by the Council to the Treasury Board, and the Treasury Board was asked to take these accounts and look into them. The Treasury Board was met with these conditions, that these were expenditures that had already been made, and made under the spur of circumstances. The main part of the duty of the Treasury Board was to examine into the vouchers, and generally into the regularity of the payments that had been made. This the Treasury Board did.

That applies to the expenditures which were made in the early months of the war. After that, as I have stated, reports were made to Council and the expenditures were authorized by Council. When the Minister of Militia comes to Council with his list of proposed expenditures, he acts, as does the minister of every department, on the report of his officers and special advisers detailed for that purpose. His requisitions for supply, I suppose, have been adopted in the Militia Council. Then they are brought to Council, they are considered by Council, and if, after such discussion as takes place, they approve themselves to Council, authorization is made for the expenditure.

With reference to the last observation of my hon. friend, as to tender and contract: I think the Prime Minister stated some little time ago that the principle of tender and contract was the principle that was to apply so far as it could possibly be applied. In respect of that there are difficulties which are apparent to any one who has had the administration of a departmental office under his charge. There are a great many cases that are of minor importance, each one of them involving no very great expenditure; and to submit these to tender and contract means to take a great deal of trouble often for very little advantage. Yet in such cases, I am informed, the department gets prices from people who make the article, and upon these prices an award is based. It may be that the prices differ to a certain extent. In that case, I am informed, what is considered a reasonable price, averaged on the prices received, is set as the price for the article. With reference to larger matters, prices are asked by the department, and as far as possible, the allotment is based upon a fair price ascertained by inquiries made of manufacturers. It is the fact also that the policy of the department and the policy of the Government most certainly is that these tenders for articles shall be asked from, and contracts made with those who are the actual producers or suppliers of the goods. It can be put in this manner—that it is not the policy of the Government that these contracts shall be given to middlemen and brokers but that they shall go to the larger producers and suppliers of the goods. And I think that, while you may find exceptions in the early part of the war, in the period of which we have spoken, many more exceptions than we would care to have, I think you will find also that under the later and more leisurely arrangement made by the departments and the Government, that principle is carried out. That is the principle which the Prime Minister has recommended decidedly to each of the departments, the Militia Department included, and that is the policy, which, I understand, the Militia Department is anxious to carry out.

I think I have answered all the questions of my hon. friend with the exception of one, and that is as to the class of expenditure properly referable to this war vote. My hon. friend has mentioned two—the Belgian contribution and the gift of flour by the Dominion Government.

Mr. MACDONALD: Might I interrupt the minister to add another, the payment of $50,000 to the Intercolonial railway for carrying the goods of the relief committee.

Sir GEORGE FOSTER: In the memorandum which I have there are marked queries as to whether that is a legitimate payment to be made out of the war vote or not. This matter has been largely under the hand of the Prime Minister; I have just come into possession of some of these notes, in which I find that this query has been made. I do not think it has yet been really decided whether that payment should be made from the war vote or not; the question is debatable. With reference to the others, opinions may differ. We must remember that although we are careful not to load up the war vote with ordinary expenditures, yet there is a fair region of debate within which it may be contended that certain expenditures are or are not properly referable to that vote. The Government does not make any allotment to the war vote without a fair consideration of whether that allotment is or is not a proper charge upon it. Take, for instance, the million bags of flour. What I want to keep in mind is that although one is a war

vote and the other is not, the $100,000,000 or the $50,000,000 is not a gift from the British people or the British financiers or the British Government; it is a loan, and we pay that loan and the interest upon it, just as we would pay the excess of expenditure over revenue during any one of these years by a loan which we would make on the British market. The two loans are similar in conditions; they must both be met by Canada, and the interest paid thereon. But with reference to these three votes: the Belgian relief; the gift of flour and the Canadian hospital in France, after due consideration it was thought that these expenditures might be fairly charged to the war vote. They involve in the aggregate a large sum of money. They are not ordinary expenditures, by any means; they are extraordinary expenditures. I am frank to say that the charging of these expenditures to the war vote was all the more readily decided upon when regard was had to the general state of the finances of Canada. This money had to be got somewhere; it had to be got out of loans in some form or other, and, as it was an extraordinary vote in each case, the conclusion was come to that it was fairly allottable to the war vote. I do not know that anything else was brought up by my hon. friend that I have not touched upon frankly and fully. I agree in the sentiment that with reference to this vote most scrupulous care should be taken to see, in the first place, that it is efficiently administered, in the second place, that it is economically administered, and, in the third place, that it is honestly administered. For my own part—and I think I can speak for every member of the Government—I am jealous of one single ten cents of this war vote that goes to anything else than the objective for which this Parliament and the country authorized the appropriation; that is, to the prosecution of the war.

Mr. MACDONALD: May I ask the hon. minister if he can give me the information which the Prime Minister on different occasions promised to bring down, namely: whether a committee of council was appointed to supervise war expenditures; whether that committee was appointed by Order in Council; what its duties were; whether it is still operative; whether that committee dealt with expenditures generally, or with the expenditures of any particular department: if so, of what department?

[Sir G. E. Foster.]

Sir GEORGE FOSTER: The Dominion Government, through its different departments, has been executing orders from foreign governments for war materials: saddlery, blankets, harness, hay, oats, etc. A sub-committee of council was elected to allot the orders which were sent to us by the British, Russian or French Governments in respect of war material that they required, and which they asked us to obtain for them at certain rates and under certain conditions. Whilst the purchase of those different supplies was entrusted to different departments, this sub-committee was appointed to make the allotments. That committee was also empowered to advise the Minister of Militia in respect of certain allotments or possible contracts required for Canadian troops. It has been in existence since September or October, I think; it has had charge of the former class of contracts in the way of allotment, and has consulted on several occasions with the Minister of Militia as to contracts for distinctively Canadian supplies required for the purpose of prosecuting the war, and paid for out of this war vote.

Mr. MACDONALD: Who were the members of that committee?

Sir GEORGE FOSTER: The personnel of the committee has been somewhat changeable. It consists of some six or eight members of the Cabinet.

Mr. MACDONALD: Was it appointed under Order in Council?

Sir GEORGE FOSTER: No, it was appointed by and acts under the authority of the Prime Minister.

Mr. MACDONALD: Who were the first members of that committee?

Sir GEORGE FOSTER: From memory, the Minister of Public Works, the Minister of Trade and Commerce, the Postmaster General, the Minister of Justice, the Minister of Customs; later there were joined to it the Minister of Railways, the Minister of Finance and the Minister of Marine and Fisheries. That is, as I remember, the committee.

Mr. MURPHY: Was there a chairman of the committee, and, if so, which of the members was chairman?

Sir GEORGE FOSTER: The chairman of the committee was the Minister of Public Works.

Mr. MURPHY: From the first?

Sir GEORGE FOSTER: From the first; and I have been doing, without fee or reward, most of the clerical work.

Mr. PUGSLEY: Was the Minister of Militia on that committee?

Sir GEORGE FOSTER: When the committee was formed, the Minister of Naval Affairs was acting Minister of Militia, and he was placed on that sub-committee because he was administering the Department of Militia; so that the Minister of Militia is also a member of that committee for the purpose of allotting Canadian supplies.

Mr. MURPHY: Was he not chairman for a while—the acting minister?

Sir GEORGE FOSTER: No, the Minister of Marine and Fisheries was never the chairman of the sub-committee; that had one chairman only. But when that sub-committee sat with the Minister of Militia to advise as to contracts, the Minister of Militia during that session and in his own department was, of course, the chairman of that committee. You will make the distinction between those two duties: the sub-committee was separated entirely from the Minister of Militia or the Department of Militia, when they were making contracts for the allied governments; but when they were advising with the Minister of Militia as to contracts in his immediate department the committee met with the Minister of Militia or the acting Minister of Militia and he was the one who presided.

Mr. GRAHAM: I think it is well that these observations have been made by the hon. member for Halifax (Mr. A. K. Maclean) and also those in reply by the hon. Minister of Trade and Commerce (Sir George Foster). It makes very clear what, of course, the members understood before, that in a vote of this kind the Government as a whole is more directly responsible than it is in a regular departmental vote, although government responsibility is understood, no matter what the vote may be, departmental or otherwise. In a vote of this kind the Government as a whole is more distinctly and thoroughly responsible for every dollar that is spent. The manufacturers of Canada, for whom I have no brief, have been called on to do a good deal of prompt and extraordinary work. In the main I think they have responded to that call very well. I know a good many of them who have expended large sums of money in purchasing plant in order that they may meet the demands of this Government, as well as the demands of the Allies, in furnishing munitions of war. However, there have been cast certain reflections which may, if not cleared up, be discreditable to the manufacturers. The reason I mention this is that this is really the testing time for the industries of Canada. They have it in their hands to make for themselves a great name or to injure our future as an industrial community. A good many questions have been asked, some imputations have been cast, and there have been statements as to the necessity the manufacturers found of dealing through a third person instead of being able to deal directly with the Government. We have had it in evidence that certain manufacturing establishments were compelled to deal indirectly instead of directly with the Government. The manufacturers of Canada have an association which is their official organization: all the leading manufacturers, and I imagine most of the smaller manufacturers as well, are connected with that association, which in very active and very strong and very influential. I cannot conceive that this great association would allow its members to be thus compelled to deal indirectly with the Government without making some protest. If they did I would mistake the calibre of the men very much, and would not have much sympathy for them. Have the Manufacturers' Association as an association officially protested through any of their officers to the Prime Minister the acting Prime Minister, or any member of the Government, as to the methods of purchase employed by the Government, more particularly as to the statement made that they were compelled in many cases to deal through a third party and could not sell directly to the Government? If there have been any such protests from the Manufacturers' Association, would the Government lay that correspondence on the table before the close of the session so that manufacturers may have their side of the case before the public as well as the Government and Parliament? I think that would be but fair, if there be such correspondence.

Sir GEORGE FOSTER: I join with my hon. friend in his sentiment that the manufacturers and producers in Canada have evinced a disposition to rise to the occasion and to represent Canada at its best in the call that was made for supplies in this country. I may explain that they have been anxious to do that and have aided in

doing that and have co-operated in doing that very thing. As regards the other point, of middlemen or direct negotiation, I may say, if my hon. friends will allow me to refer to my department, that the practice is to shut down absolutely on the middleman in respect of whatever contracts my department may have to make for outside governments. In the case of the French blanket order, which is a good illustration, the French Government asked this Government to supply, or to have supplied, 400,000 blankets of certain dimensions and of certain quality. We took that up and it was left to my department to see what could be done. I immediately got in communication with every mill that could make blankets in the Dominion of Canada and asked them directly from the department, how many blankets of that quality they were prepared to manufacture within the time specified. A great many people came to me asking for specifications. My first question to every one was, "What mill do you represent"? And if he did not represent a mill, he had no further converse with me about that. What I proposed to do, and what was done, was to make the contracts absolutely direct with the mills themselves. That was carried out, and I think that is in principle what every other member of the Government carried out, or desired to carry out. Now, I will say this. Though it did not happen in my department that the middleman was at all a profitable or necessary man to come in between myself and the mills, I think there are occasions and there are certain articles where you would, perhaps, have to negotiate through the middleman. Every member of the Government has to exercise a certain amount of common sense with reference to that. I will not carry that any further, but I just make it as a suggestion which I think will appeal to business men. I do not believe that instances of that are very many, but I believe it does occur in certain lines of enterprise and manufacture that you will have to deal with the broker or the agent rather than with the original himself. I think that answers the first part of the question of my hon. friend. I may say that at a very early period in these operations of supply and demand last autumn, the Prime Minister himself issued a letter of instructions to the members of his Government along that very same line, namely, that, as far as it could possibly be done, the original supplier or dealer should be the one who was negotiated with. In that letter I think he also expressed the wish that if any minister felt that a different course ought to be pursued in any case, he would consult with the Prime Minister before going outside of those instructions. Now, as to what the manufacturers thought or did not think with reference to its being possible for them to approach the Government except through a middleman, I do not remember any direct communications of that sort from them. I have had a great deal of communication with the Manufacturers' Association. Whenever I received an inquiry as to sources of supply and amount of output with reference to something I did not know very much about, my practice has been to communicate with the secretary of the Manufacturers' Association, and get from him the names of all parties who might be applied to in respect to that particular line of goods. I think that answers my hon. friend as nearly as I can answer him.

Mr. GRAHAM: It is very interesting, but I am afraid it does not answer my question. What I asked was this: Did the Prime Minister, or in his absence the acting Prime Minister or any member of the Government, have correspondence with the Manufacturers' Association as a body, or with any of its officers, in regard to the manner in which contracts were being let, with particular reference to the fact that manufacturers throughout Canada were in many instances compelled to do their business through a third party instead of doing it direct with the Government. What I asked was, if there was such correspondence, would my hon. friend lay it on the table of the House before the session closed?

Sir GEORGE FOSTER: I have no recollection of such correspondence. If such correspondence took place, it would very likely be with the Prime Minister, and I have no knowledge of the Prime Minister's having received anything of that kind. The Prime Minister is absent now from a cause which of course we all deplore, but he will be back in the House before the session ends and will be able to answer for himself in regard to that correspondence.

Mr. GRAHAM: I do not wish to unduly delay the committee, but my question refers to any member of the Government, as well as to the Prime Minister and the acting Prime Minister.

Sir GEORGE FOSTER: I have spoken for myself.

Mr. GRAHAM: My hon. friend has spoken for himself, and to-day he is the Government so far as this question is concerned. If there be such correspondence, would my hon. friend make a note and see that it is brought down?

Sir GEORGE FOSTER: I will make a note of it, but I will not say that the correspondence will be brought down. I will bring the matter to the attention of the Prime Minister on his return, and if there is anything that can be brought down I have no doubt he will bring it down. But my hon. friend, as a member of the preceding Government, knows that he has received many and many a letter sent to him confidentially which he could not bring down.

Mr. GRAHAM: I understand that, but I had reference to official correspondence with the Manufacturer's Association as a body.

Sir GEORGE FOSTER: Then my hon. friend has his reply. I will bring the matter to the Prime Minister's attention on his return.

Mr. THOBURN: As I happen to be a member of the Canadian Manufacturers' Association, possibly I may be able to answer to a certain extent the hon. gentleman's question. As far as I am concerned, or as far as any company in which I am interested is concerned, the Manufacturers' Association has nothing whatever to do with them as far as their sales are concerned, unless it might be that we were asking for information about exports. But as far as sales within the Dominion of Canada are concerned, even to the Government, the Canadian Manufacturers' Association, as far as my knowledge goes, has nothing whatever to do with them. There has been a great deal of talk about the third person. I should like to know what constitutes the third person. For instance, in my business and other businesses with which I am connected, there are what are called commission agents. These agents undertake to sell the output of the mills. Now, there must be a certain loyalty between the manufacturers and their commission agents to this extent. Sometimes we get orders direct from the wholesale trade; that is, the order comes direct to the mill, and not through our agents. In such a case, instead of sending the invoice direct to the merchant who gave us the order, we send it to our agent just as if he had taken the order himself; and he gets his commission on that order.

Sir GEORGE FOSTER: That commission being paid by yourself.

Mr. THOBURN: Yes. Even if we were to get an order direct from the Government —we have not had that good fortune so far— we should send the invoice to our commission agent, not to the Government. The Government would get the goods just as cheaply through the commission agent as they would from us direct. The mill in all cases pays the commission. So there is not so much force as some might think in this talk about the third person. If the third person bought goods from the manufacturer and then sold them at a profit that would alter the case. But there is a vast difference between the third person in that case and the third person who acts as a commission agent for a mill.

Mr. MURPHY: And who has a permanent engagement.

Mr. GRAHAM: That is the regular business machinery of a large institution. I understand that thoroughly, but it was not that I was referring to. If I were buying a large amount of goods from my hon. friend, I should receive them in just the same way.

Mr. PUGSLEY: My hon. friend the Minister of Trade and Commerce states that in making purchases for the allied Governments, they felt, and very properly, that a certain responsibility was cast upon them, and that in cases where he was concerned he sent notices direct to the manufacturers.

It was stated here by the hon. Minister of Militia and Defence (Major General Hughes) that a contract was negotiated in the United States for ammunition for the British Government, I think, amounting to 75,000,000 rounds, that the contract was negotiated by Mr. J. Wesley Allison, but that subsequently the minister and a representative of the manufacturers met somewhere in the Adirondack mountains and executed the formal contract. I would like to ask if that matter came to the notice of the Minister of Trade and Commerce and of the Government as a whole.

Major General HUGHES: Before my hon. friend the Minister of Trade and Commerce replies, I desire once more to correct my hon. friend the member for St. John. He has mis-stated the case absolutely, and he knows that he has not stated it correctly. Mr. J. Wesley Allison did not primarily negotiate the contract. I negoti-

ated it first with some of the hon. gentleman's friends in New York and in Cincinnati. One of the firms whose representatives I met asked $42.50 per thousand and the other Flint & Company, whom my hon. friend knows, asked $37.50. Then Mr. Allison stepped in and reduced the price to $33 for Mark vii ammunition, only $3 more than the British Government some weeks before, but during the war, had paid that same firm for Mark vi ammunition, which is about $5 cheaper than Mark vii. Thirty dollars per thousand rounds was what the British Government were paying for Mark vi and $33 was the price paid for Mark vii.

Mr. PUGSLEY: I do not think my hon. friend the Minister of Militia and Defence has contradicted the statement I have made, that Mr. Allison negotiated for the purchase of 75,000,000 rounds of ammunition which resulted in a formal contract being signed by the minister on behalf of the British Government somewhere in the Adirondack mountains—I forget the name of the place. That the negotiations were carried on by Mr. Allison I think the minister himself admits.

Major General HUGHES: No, the negotiations were carried on by the Minister of Militia.

Mr. PUGSLEY: What the minister said was that at the beginning of the negotiations he found that the prices were higher than he thought they ought to have been, and then Mr. Allison stepped in and got the prices reduced. If that does not mean that Mr. Allison carried on the negotiations to a conclusion then I do not know what language means. I think I would be entirely correct, in view of the minister's statement and in view of what he stated here a short time ago, in saying that Mr. Allison did carry on the negotiations. Now, I would like to ask the Minister of Trade and Commerce if the Government took any steps to get information as to the negotiations which were carried on by Mr. Allison in the United States with the different leading manufacturers of ammunition and which negotiations were carried on under credentials from this Government on behalf of the British Government and other of the allies?

Sir GEORGE FOSTER: My hon. friend asks me whether the Government took any steps to inquire into the negotiations which have been undertaken by Mr. J. Wesley Allison for military or war supplies in the United States.

[Mr. Sam. Hughes.]

Mr. PUGSLEY: For the British Government under credentials of this Government.

Sir GEORGE FOSTER: As far as I am concerned, I do not know of any steps that were taken by the Government in that respect. The question of supplies, and as to how they were provided, ran itself into two classes. All supplies, other than munitions of war, the Prime Minister—I am speaking with reference to orders from allied governments—directed the ministers of the different departments to purchase as it was thought best, some taking one thing and some taking another. In regard to munitions of war, it was directed that these should be negotiated for and provided for under the control of the Minister of Militia, and with those I have had no particular concern other than the concern which comes to every member of the Government when reports are made to Council submitting certain acts for approval, when I used my own judgment, as other members of the Government do, in approving or not the proposals that are made.

Mr. PUGSLEY: Let me say to my hon. friend the Minister of Trade and Commerce that there are current rumours which seem to be well founded. I am not able to say whether they are absolutely well founded or not; but I think they are deserving of the attention of the Government, because if there is no truth in these rumours it is desirable that they should be set at rest, particularly as they concern purchases which have been made by the Allies under circumstances which necessarily have resulted from action by this Government. I am informed that this Government did employ the agency of secret service officers who were sent to New York, and who ascertained that the British Government could have obtained this ammunition at the price of $25 per thousand rounds but for the intervention of Mr. J. Wesley Allison in New York, under credentials from this Government or one of the ministers of this Government. I am informed that the price of this ammunition was raised from $25 per thousand rounds, which was the figure first named and at which the British Government could have purchased it, to $26.50, and to that extent the manufacturers benefited. I am informed that the price actually charged the British Government was $33 per thousand rounds, which left a difference of $6.50 per thousand as Mr. Allison's profit. On 75,000,000 rounds my hon. friend will see that that will amount

4 p.m.

to somewhere between $400,000 and $500,000 on that one order. It is rumoured—my hon. friend can ascertain whether it is true or not—that the Government, or some members of the Government—perhaps the Prime Minister—sent members of the secret service to New York city, and that the result of the investigation of the two gentlemen who were sent there has been to verify the statement which I have made. I do not vouch for it; if it is not correct it ought to be made known that it is not correct. It does not reflect upon the Government unless the Government was a party to it or countenanced it, and of course the Minister of Trade and Commerce will agree with me that the Government should not countenance it. It is stated also that as a result of these introductions which he had, and on these conditions which he was able to make, Mr. Allison was able to control the ammunition supply coming from these large manufacturers, and he formed a company called the Allison Supply Company. I find in the Montreal Star of the 26th of March this statement, showing the magnitude of the operations which Mr. Allison is carrying on:

> The Allison Supply Company of Canada announced that they had let contracts with United States manufacturers for 535,000,000 rounds of ammunition for the European Allies. The company has contracts pending for 500,000,000 additional rounds of ammunition. J. Wesley Allison, of Morrisburg, is stated to be the head of the company.

This statement in the Montreal Star is in accord with statements made to me by gentlemen in New York who profess to know. I regard it as a very serious matter. We find that instead of the allied governments being able to do what the Minister of Trade and Commerce—I judge from his remarks in reference to buying blankets for the French Government—says they ought to be able to do, namely, to buy on the most favourable possible terms directly from the manufacturers, they are buying through the Allison Supply Company, which has obtained credentials from this Government. We find this company formed by Mr. Allison; we find it continuing its work, occupying the position of middlemen and supplying this large quantity of ammunition to the Allies. It may be said that this is the business of the allied governments, and I admit that would be a natural answer to make, if it is not a fact that through his credentials received from this Government, Mr. Allison or his company has been asked, by the British Government, to purchase ammunition, and has been enabled to effect a combination with the manufacturers which gives him the control of the business of furnishing ammunition, and as a result has been able to get himself, or the company he has formed, into the position of middlemen, through whom the allied governments are obliged to make their contracts, instead of making them directly with the manufacturers. I am informed that the Government has information on the matter already, but if it has not it ought to get that information and supply the information to the House.

Major General HUGHES: The hon. gentleman has spoken of rumours, but he has not honoured the House by giving any. He has not taken the usual course that even an ordinary back-bencher would take, of furnishing the House with the slightest bit of data on the subject. I will tell him something. Early in the war, the Militia Department, having successfully negotiated to save the British Government $9.50 per thousands rounds of ammunition, was requested to obtain a contract from the United States authorities for the manufacture of 200,000 shells, prices were obtained, deliveries were asked for, and it was found that the prices were abnormally high compared with what we could make them in Canada for, and the deliveries were very slow. I am anxious to educate the hon. gentleman from St. John, and I trust he is listening to me.

Mr. PUGSLEY: I am listening most attentively.

Major General HUGHES: The matter dragged on for a time, when I conceived the notion of calling the manufacturers together. I knew that our foundries, owing to the war, were not carrying on their usual business. I knew that our large steam plants were more or less reducing output, and I called a meeting of the large manufacturers of iron and steel of the Dominion of Canada together—I do not want my hon. friend (Mr. Pugsley) to lose a word of this.

Mr. PUGSLEY: What has this got to do with the question of small-arms ammunition to which I have referred?

Major General HUGHES: I know that my hon. friend is sometimes so dense and thick-headed that it takes an awful lot of pounding to get it in, but it is going in, or I will know the reason why. The manufacturers were called together and the facts were placed before them, and they were asked to appoint a committee to go to the

arsenal at Quebec and witness the manufacture of ammunition. They went there, and after spending several days, they came to the conclusion that we could make ammunition in Canada. Accordingly, a committee was formed of the most representative men that could be found—I will not say the most representative men that could be found, but I will say they were all representative men. I appointed a shell committee and entrusted them with the management of that work, and I think I am safe in saying that everything except the driving bands of copper and the fuse is to-day made in Canada, and that applies not only to the ordinary 18-pound and 15-pound shells, but to the larger shells as well. At present $57,000,000 has been contracted for throughout the length and breadth of the Dominion of Canada, and more than that large sum is forthcoming to the shell industry. I understand that Mr. Allison on his own responsibility—he is a free citizen, he does not owe any allegiance, thank Heaven, to either the Minister of Militia and Defence for Canada or to the hon. member for St. John—Mr. Allison, profiting by the experience of Canada in this regard, and knowing that the Russian Government was very short of shells, made a contract with that Government for 5,000,000 shells—that is what the hon. member refers to—5,000,000 shells and not 500,000,000, which are being manufactured to-day.

Mr. PUGSLEY: Will my hon. friend pardon me? This article in the Montreal Star does not refer to shells; it refers to rounds of ammunition. The hon. gentleman is speaking of a different matter entirely.

Major General HUGHES: Is that so? I can tell the hon. gentleman there is nothing to it. These 5,000,000 shells were manufactured by a company of which a Canadian corporation is at the head, and they are being manufactured in Canada and the United States, and many millions of dollars will be left in Canada, and many millions also will be left in the United States. Let me say that a new company, owned in Canada, will be interested in this matter, and it is a new industry entirely brought to this country.

Mr. PUGSLEY: The statement of the Minister of Militia is very interesting, but he has been dealing with a different matter entirely from that to which I was referring. He is referring to a contract which Mr. Allison, I am informed, succeeded in getting for the manufacture of shells for the Russian Government; a contract in which the Hon. Senator Curry is interested, as I have seen stated in the newspapers. That refers to a contract for shells to be manufactured as far as possible in Canada, and I hope they will be manufactured in Canada. But what I am speaking of is an entirely different matter; I am referring to ordinary ammunition for small-arms.

Major General HUGHES: I never heard of it.

Mr. PUGSLEY: The hon. gentleman never heard of it?

Major General HUGHES: No.

Mr. PUGSLEY: Why, the other night the hon. gentleman told me that Mr. Allison had negotiated a contract for 75,000,000 rounds, and then I read the statement from the Montreal Star. The Minister of Militia says that I have a thick skull and that it is difficult to penetrate my brain, and while the Minister of Militia is ordinarily very intelligent he must have been sleeping when I was making my remarks, because I was speaking of a matter entirely different from that to which he has referred.

Major-General HUGHES: I am glad to see the hon. member so much better posted than I am; I never heard of this before.

Mr. PUGSLEY: I am asking the Government to get the information and to furnish it to this House, if it is not already supplied with the information. I was stating, although probably the minister did not hear, that it is currently reported that the Government has already investigated this matter, that it has had its secret service men in the United States, and that it has ascertained the truth of the statement to which I have referred.

At all events, if they have not, I think the matter is of such great importance that the Government ought to get the information. They ought to do so, because of the fact, which I will repeat, that if Mr. J. Wesley Allison and the Allison Supply Co. have got themselves into the position that the Allies are compelled to engage them as middlemen for the purchase of ammunition in the United States, it is because of the credentials and standing which this Government, acting as the agents of the British Government, gave to Mr. Allison, which enabled him to go to New York and announce to

these manufacturers that he was the representative of the Canadian and British Governments and had the authority, and he alone had the authority, to negotiate for the purchase of ammunition.

Major General HUGHES: I am called upon to go over this ammunition business once more for the benefit of my hon. friend. The hon. gentleman himself stated—though I had to drag it out of him—that the United States Government, which he was representing by reading from the report, paid $36.50 per 1,000 rounds last year for ammunition which they purchased from their own factories—ammunition which is cheaper to be made than the British Mark vii. He slipped that out gingerly and gently, and reluctantly, when I dragged it out of him—that the price was $36.50. The price that his friends, Flint & Co., asked for ammunition was $37.50 at the lowest; their highest was $48. They came down to $37.50, but below that they would not budge—the usual commission, I presume, was the difference. The British Government made a contract on the 4th of August for 20,000,000 rounds of Mark vi. ammunition at $30 per 1,000--this, I say, is for Mark vi. ammunition, for which $25 would have been ample—the old, round-nosed ammunition, the obsolete ammunition. Some weeks after the war broke out, the contract to which I have referred was negotiated by me, assisted by Mr. Allison, and we were instrumental in bringing down the price so that the British Government saved $4.50 per 1,000 rounds of ammunition; and I challenge the world to point to one line or one word to the contrary.

Mr. PUGSLEY: I hope that what my hon. friend says is absolutely correct; I trust it is correct for the reputation and honour of this country and for the good name of the Government.

Major General HUGHES: The Government does not stand any insinuations from the hon. member for St. John.

Mr. PUGSLEY: I make no insinuations; my remarks have to do with Mr. Alison and his company. But if the report in the Montreal Star is true, and if the profit made is the difference between $26.50 and $33, it would amount to upwards of $6,000,000. On the contract which the minister says was first made, of 75,000,000 rounds, it would amount to between $400,000 and $500,000. The hon. Minister of Militia states that he accomplished great things for the British Government. Among other things, he says that the British Government placed an order for twenty million rounds at $30 per 1,000.

Major General HUGHES: That was Mark vi. ammunition.

Mr. PUGSLEY: Which the hon. minister says is obsolete?

Major General HUGHES: Yes.

Mr. PUGSLEY: That is certainly a very serious reflection upon the British War Office, and shows that they stand a long way behind the Minister of Militia in knowing what are the modern requirements.

Major General HUGHES: Not necessarily. They might have appliances for making Mark vi and not for making Mark vii. I may enlighten the hon. gentleman to that extent.

Mr. PUGSLEY: At all events, does that justify this Government in standing idly by and seeing Mr. J. Wesley Allison and the Allison Supply Company taking $6.50 per thousand rounds of ammunition by way of commission out of the British taxpayer? I do not think it does. With reference to the cost of manufacture, the hon. gentleman says that the extract from the report of the Secretary of War states that manufacturers had been charging $37.50. That is true. But the Secretary of War also states that upon an order for only ten millions of rounds in their own factory, after charging up everything—which would necessarily mean all costs, including overhead charges, for otherwise the comparison would mean nothing—they were able to manufacture this ammunition at $22.50 per thousand rounds.

Major General HUGHES: Then, why did they pay their own factories $36.50?

Mr. PUGSLEY: I am citing the report of the Secretary of War.

Major General HUGHES: But I am asking the question why did they pay $36.50? And the fact that they did pay it is the fact that I dragged from the hon. gentleman, and he stated it very reluctantly.

Mr. PUGSLEY: The hon. gentleman does not do himself credit by saying that he dragged that from me and that I stated it reluctantly. He asked me what the United States Government were paying and I said $37.50. About a dozen times he has stated that he dragged this from me. If he thinks that adds to the strength of his position, he is at liberty to say it as often as he pleases.

Major General HUGHES: He read the statement of cost as being only $22.50 when he knows that that did not include overhead charges.

Mr. PUGSLEY: I knew nothing of the kind. I assumed that it included everything.

Major General HUGHES: He ought to have known. Then, I dragged it from him that the only fair comparison would be with what the United States Government had paid factories; and he was forced to admit, what he should have stated when he read his statement, that the United States Government were paying no less than $36.50 per thousand rounds a year before the war for ammunition which was Mark vi, whereas what the British Government bought was Mark vii.

Mr. PUGSLEY: The hon. gentleman is entirely unjustified in stating that he dragged that information from me. I stated that last year the United States Government had established their own arsenal, and the report of the Secretary of War stated that upon an order of ten million rounds—not a large order—they were able to turn out that ammunition at $22.50 per thousand rounds. When I said that the Secretary for War had stated that they had paid the manufacturers $37.50 per thousand rounds, that official drew a comparison between what they had been paying the manufacturers and what it was costing them at their arsenal, in order to show that a very great saving had been made in the manufacture of this 10,000,000 rounds. The inference to be drawn from the statement of the United States authorities is that they included charges of every kind and description, not excepting overhead charges; otherwise the comparison would not be made as the Secretary of War makes it, because it would be entirely unreliable. But my hon. friend says that the manufacturers in the United States were charging up to $42 per thousand rounds. It may be that that is true; I do not know. It may be that in respect to small orders they were charging that amount, but if so they were charging an exorbitant price. The Dominion Cartridge Co. submitted a tender to this Government in September, I think, for 5,000,000 rounds of ammunition at $31 per thousand rounds, which, according to the hon. gentleman's statement, would be $11 less than the American manufacturers were charging. But the point is that these manufacturers, having in prospect orders for enormous quantities of ammunition, agreed, it is stated, with Mr. Allison to furnish that ammunition at $26.50 per thousand rounds, while the charge to the British Government was $33 per thousand rounds. Any statement by my hon. friend as to Mr. Allison's getting an order for the manufacture of 5,000,000 shells in Canada, or any statement that Mr. Allison succeeded in breaking the combination and getting the prices reduced, is no justification for the conduct of this gentleman to whom the minister gave credentials; a gentleman who was authorized to advertise himself in the United States as being the representative of the Canadian and British Governments for the purchase of ammunition. I say that these statements do not justify the countenancing of conduct of that kind, because the British Government are thereby compelled to pay to the middleman a larger price than is actually going into the pockets of the manufacturer. That is the whole point which I make. I make no charge against the Minister of Militia; I make no charge against the Government. The Government will not be guilty unless they continue to countenance this state of affairs, but if they do they will be responsible for it. My hon. friend says they may send all the detectives they like to New York; does my hon. friend infer that he knows that his colleagues have sent to New York—

Major General HUGHES: No, but I have reason to suppose that the hon. gentleman has been nosing around New York.

Mr. PUGSLEY The hon. gentleman has become so familiar with matters affecting round-nosed bullets that he does not know any other suitable expression to use. I may tell him, however, that when I go to New York I do not nose around.

Major General HUGHES: Slipping around.

Mr. PUGSLEY: No, I do not slip around. I have not sought information; any information which I have has been given to me voluntarily. If my hon. friend will send a disinterested party to New York, to go among people there who know what is going on in Canada, he will, if he himself has had nothing to do with these matters and if there is nothing for him to be ashamed of in connection with the purchase of ammunition—and I do not say that there is—blush with shame because of the conduct of gentlemen who have been

acting in New York under credentials from this Government in connection with the purchase of ammunition. These stories are widespread in the city of New York. You do not have to go nosing round in order to hear them. You only have to stop at the ordinary hotels of that city and come in contact with Canadians of the highest responsibility and integrity; gentlemen who would not for the world say anything to discredit the land of their birth; who would like to see Canada and the Canadian Government stand to-day in a different position from that in which they stand among the members of the Canadian colony in the city of New York by reason of the reports of scandal which are widespread in reference to ammunition and other supplies for the Canadian and British Governments, the purchase of which was arranged for by the accredited agent of this Government.

Major General HUGHES: I have been wondering lately what made the hon. gentleman look so burdened down; I see now that he is anxious for the honour of the Dominion of Canada and regrets that it should be associated with scandals. These words from the lips of the hon. member for St. John make one laugh with derision. I should be obliged if the hon. gentleman would furnish us with a list of his friends in New York from which he obtained this information. Would it take him long to write out such a list? I challenge him to stand in his place in this committee and name one reputable man who, directly or indirectly, gave him the false information that has been placed on Hansard to-day, to the effect that ammunition at any period during the progress of the war could have been obtained for $25 per thousand rounds. Let him name his authority for that assertion; he cannot do it. I challenge him, publicly or privately, here or elsewhere, to name one reputable person—or otherwise; even an inmate of Sing Sing—who ever made any such false statement. It is utter nonsense for the hon. member to make these assertions. He says: If certain rumours are true; if it is this and if it is that—the hon. gentleman is adept at that sort of thing. It is characteristic of his whole life, and it will characterize him to the end. Let me tell him the facts of the case. Ammunition to-day is as high as $48 and $50 a thousand rounds in New York, and is being supplied by the million rounds at that rate. Ammunition at the time in question was $42.50 per thousand rounds. We could get it at $37.50 from his friends, Flint & Company, and at $33 from the Remington Arms Company. $30 was paid by the British Government weeks before the outbreak of war for 20,000,000 rounds of Mark vi., which would have been dear under ordinary conditions at $25 per thousand rounds. Of the 5,000,000 rounds that we ordered from the Dominion Cartridge Company was obtained at $31 a thousand; in respect of this order the agreement was made long before the war broke out, but the Order in Council was not passed until after the outbreak of hostilities. No ammunition has been purchased on the continent of North America or in Great Britain for any such sum as $33 a thousand rounds. We had to change the Order in Council in respect of the order to the Dominion Cartridge Company, making the price $35 a thousand rounds, because we could not carry out the agreement at the other price.

Mr. PUGSLEY: If my hon. friend were as anxious to preserve the honour of the country and to save money to the British treasury as he is to attack me, there would be a very easy way for him and for the Government to satisfy this committee and the people of the country that I have been entirely misinformed in this matter. That would be to produce solemn declarations from the leading manufacturers who are supplying this ammunition to the Allison Supply Company as to the amount which they are actually being paid by the Allied Governments and the amount of commission which they actually pay Mr. Allison. That would settle the matter quite easily, and in a more satisfactory way than my hon. friend can settle it by abusing me. I shall not attempt to reply to his last remarks. There may be many things in respect to the administration of the affairs of my hon. friend's department in regard to which I might follow his example and resort to abuse, but I shall not do so. This is a matter of far too great importance to justify the adoption of that attitude, and I think my hon. friend might well devote his attention to furnishing to the committee affidavits or declarations of such nature as I have indicated.

Section agreed to.

On section 2—payment of $100,000,000 may be made:

Mr. A. K. MACLEAN: A considerable amount of the expenditure from this vote

of credit will have relation to the cost of the concentration of troops at various points, such as Calgary, Regina, Halifax and St. John. Do I understand that the system of tender and contract will apply to such expenditures, or is this to be left to patronage committees?

Major General HUGHES: The system of tender and contract will apply.

Mr. A. K. MACLEAN: In connection with the Belgian Relief Fund, the Federal contribution has been but $50,000. Several provinces of Canada have contributed nobly to this fund, none better than my own native province. I have always felt that the sum of $50,000 contributed by the Dominion of Canada was hardly a fitting or true expression of Canadian public opinion and that something more should be done. I am still of the opinion that, notwithstanding the many demands made upon the revenues of the country, the Canadian Government, for the Canadian people, should yet do something for the relief of the destitute Belgians on a larger scale than they have heretofore done. That puts my view briefly before the committee, and I would like to ask the Government if they have had under consideration the matter of a further contribution to this very desirable fund.

Sir GEORGE FOSTER: The Government views the case of Belgium with equal sympathy and solicitude as hon. gentlemen on the other side of the House. A preliminary vote was made to that fund of $50,000. Large and wide calls were made upon the public, both in Canada, the United States and other parts of the world, which have been most magnificently responded to. Altogether the people have given, outside of the Government contribution, a very large sum of money and a very large amount of value in the shape of what was just as good as money to the Belgian sufferers. That flow of sympathy and active help has not been diminished in these later months, nor is it, I believe, being diminished at the present time. Belgium is suffering to-day, but she will make an equal if not greater call for help in the future. Amid all the charity and good feeling that the world has evinced in the aid of Belgium's suffering, present aid finds its way to the comfort of the sufferers. By and by, when the war is over, Belgium will face another phase which will not appeal to the general sympathy of the world as do the sufferings of the Belgians at the present moment. She will face the situation of a nation, a large proportion of whom are exiled from their land, and all of whose property and possessions have been either absolutely destroyed or greatly diminished by the war. There will come a time when an appeal will be made to rebuild Belgium, to make the old homes good again and to put tools and resources into the hands of the people to go back to Belgium and rebuild their ruined nation. When that time comes there will be more necessity for an appeal to Governments than there is to-day, because there will possibly be less general world-wide ground of appeal to charity. The Government have both of those things under consideration. They have not at all determined, quite the opposite, that the limit of what they will do on behalf of Belgium has been reached. It is a question which may well be pondered as to whether a contribution in the way of charity for the present is more needed than a contribution for the upbuilding of the country in a few months after this, when that country comes to be rebuilt. The whole question is before the Government, and my hon. friend may rest assured that the heart of the Government is just as warm towards that splendid little nation and feels just as deeply its woes and sufferings as do hon. gentlemen on the other side. There is nothing but, as it were, a competition among us all as to our sympathy and good-will towards Belgium.

Mr. SINCLAIR: My hon. friend in front of me (Mr. Oliver) has suggested that the Belgians in the meantime have to eat three times a day, and that something ought to be done for them. We all hope that when the war is over the indemnity that will be collected from Germany will go to build up the ruin that has been wrought in Belgium. I have no doubt that this is one of the questions that will be dealt with rigorously by the Allies and that if money can repair the terrible ravages that have been made in that country it will be attended to when the indemnity is settled. I wish to join with my hon. friend from Halifax (Mr. A. K. Maclean) in saying that in my view the Dominion Government might do something more than they have done in this matter, as $50,000 does not look large enough for the Dominion of Canada to give owing to the enormous demands that have existed in Belgium during the last few months. As a matter of fact, the Dominion Government have really contributed nothing, because they have charged to the war fund $50,000

odd for carrying the Belgian Relief supplies on the Intercolonial railway. I was surprised the other day, on looking at an answer brought down by the Secretary of State in reply to a question asked by the right hon. leader of the Opposition as to the disposition of the war vote of last August, to find that among the items there is a charge for carrying the goods for the Belgian Relief by the Intercolonial railway, $50,107.25. I am informed that the Grand Trunk, the Canadian Pacific railway and the Canadian Northern railways carried these goods free of charge, and I think it extraordinary that, when the three great privately-owned railways do this free the people of Canada should have to vote out of the war vote the large amount of $50,000 to the Intercolonial railway for doing the same service. What has the Minister of Railways to say about that?

Mr. COCHRANE: He has nothing to say. It is out of the Government's pocket anyway, and what difference does it make whether it is paid here or out of the war vote? The goods are carried through and charged up; so what difference does it make?

Mr. SINCLAIR: It does not seem to me to be a proper charge against the war appropriation.

Mr. COCHRANE: That is a matter of opinion.

Sir GEORGE FOSTER: Anyway, it did not come out of the Belgians.

Mr. SINCLAIR: I did not say that.

Mr. MARCIL: Has any application been made to the Government for the relief of sufferers in Northern France? La France-Amerique and other associations have come to their relief, but has the Government considered doing anything? That part of France has suffered almost as much as Belgium.

Sir GEORGE FOSTER: I do not recall any formal application having been made from there, or from Serbia or Poland; and we must recollect that if there is any spot in the wide world where suffering is more awful than it is in any other place, you will find that place in Serbia or in some parts of Poland. If our money were only as plentiful as our hearts are sympathetic we would go to the help of all. There is this, however, to be said. France is to a large extent intact. She is a rich country, and does not stand in quite the same position as Belgium with reference to the sufferings that have been caused in this war. I do not recall that any request has been made from Northern France, although certainly the sympathies of the people of Canada are as open to the sufferers there as to those in Belgium.

Mr. MARCIL: Has any suggestion been made in regard to bringing over Belgian agriculturists?

Sir GEORGE FOSTER: There have been statements in the papers and letters with regard to that, but I do not think it is at all practical; and for this reason. I think Belgium will want all her farmers and agriculturists in her own country when, a short period from this, she begins to rebuild.

Mr. OLIVER: I do not know whether the question has been asked or not, as I was not here at the beginning of the discussion, but I should like to ask if this vote of $100,000,000 will carry Canada's war expenses for the period of a year? Or, if not, for what period will it carry?

Sir GEORGE FOSTER: If my hon. friend had been here this morning he would have heard the statement read by the Minister of Militia. I will just give it to him in bulk. It is estimated that to carry on all the branches of this service and provide supplies for the fiscal year 1915-16, the sum of $95,475,000 will be required.

Mr. OLIVER: I take it, then, that this is the measure of Canada's assistance for this year to Great Britain in this war.

Sir GEORGE FOSTER: No, I would not say that at all. This is what, under circumstances as they appear to us to-day, Canada is making provision for. But if in the eventualities of this war it transpires that more is required from Canada, more will be given.

Mr. OLIVER: I have not read this itemized statement of the Minister of Militia. But to repeat what I said in the House some time ago. I understood that the British loan of $50,000,000 or $60,000,000, which is under expenditure now, was considered to be sufficient for Canada's war expenditure on the basis of 50,000 men for a period of six months. I understand that we have or are to have in the neighbourhood of 100,000 men in the field during this coming year. As I figure it, if $50,000,000 is necessary for the establishment and upkeep of

50,000 men for six months, it will certainly take more than $100,000 000 to keep 100,000,000 men for a year. I believe that my view is sufficiently pertinent to warrant a fairly frank and full statement on the subject from the Minister of Militia or the Government.

Sir GEORGE FOSTER: I think my hon. friend is satisfied with the answer I gave just now.

Mr. OLIVER: No.

Sir GEORGE FOSTER: If my hon. friend wants it any stronger, will he say how much stronger he wants it? Canada is in this war to see it through, and whatever is necessary for that purpose I feel that the House will be willing to put at the disposal of the Government, and I know that the Government will do whatever is necessary. If it requires more than this vote for the sustenance of the troops that are at present in the field or in contemplation, or if more troops are required than those now provided for, the Government will be prepared to provide those troops and those necessaries, and will depend upon the House and the country for support.

Mr. OLIVER: I quite appreciate that. But I still think that the position as I placed it before the House is entitled to something more than the statement of generalities my hon. friend has offered. We are here to vote a sufficient amount of money to achieve a certain purpose. Now either we are doing it or we are not doing it; and as intelligent and responsible representatives we ought to know from the Government whether we are or whether we are not voting enough money to keep up our proposed establishment during the year. If we are not, we ought to know it. If we are, it is perfectly right for us to know. As to eventualities that may occur in the future and how they are to be met, that is another question. But the question I asked was this. If $50,000 000 will keep only 50,000 men for six months, does the Government propose to keep 100,000 men in the field for a year on $100,000,000?

Sir GEORGE FOSTER: The Estimates given by the department are plain enough I think. They have estimated that for the fiscal year 1915-16 the amount of $95,475,000 will be required. My hon. friend need not be alarmed about it. We are now in March, and in all probability this House will meet in less than twelve months from the present time. Anything extra which needs to be provided for can be provided for. I do not see how I can give any stronger answer than I have given, and I believe my hon. friend thinks it strong enough, but just wants to play around it a little while.

Mr. OLIVER: No, if I may be pardoned, I cannot agree with my hon. friend. I will put the matter a little more definitely. What is the extent of the establishment that it is proposed to keep in the field for a year on this vote.

Major General HUGHES: We have at the front at present a division, with details for filling up that division, aggregating 33,000 men, besides the Princess Patricias, consisting of 1,000 men, and 1,000 men at Bermuda. We have the second contingent at home consisting of between 22,000 and 23,000 men, including the medical and army service corps. The details of the second contingent will aggregate between 5,000 and 7,000 men. For the third Canadian contingent there have been enrolled, with details, 25,000 men, besides those we have on militia duty. Speaking of the overseas men alone, we have a total of about 90,000 men enrolled and under arms.

Mr. MARCIL: Are all these men under pay?

Major General HUGHES: Yes. With reference to what my hon. friend (Mr. Oliver) says, in the early part of the war, there were a great many articles and supplies procured, the use of which will extend over a part of this year, and the inclusion of these in the first estimate makes it relatively higher than this year's estimate, because some of these articles will be carried into the second year.

Mr. OLIVER: I am sorry that the information that has been given to the public so far would not indicate that my hon. friend takes a correct view of the matter. Supplies, so far from lasting into another year, have not lasted the six months of this year.

Major General HUGHES: Some of them will last into the next year. For instance, the ordinary life of a wagon at the front is estimated to be less than a month. Many of our wagons and trucks will run for six months. The average life of boots and harness in the British army is six or seven weeks. Most of our boots, bad as they are, have lasted six months. It is difficult to make an absolute calculation; all we can do is to take the average life of these things in time of war, and figure on our estimates accordingly.

Mr. OLIVER: I think my hon. friend's allusions are hardly fortunate.

Major General HUGHES: I said some of them.

Mr. OLIVER: The information that has been placed before the public would indicate that the British supplies have lasted longer than the Canadian supplies—that, in fact, an abnormally large part of the Canadian equipment has already had to be replaced by British equipment, for which, I presume, this country will be expected to pay. I do not wish to take up that side of the question; that is not what I am trying to get at. Parliament is in session, war has been in progress for eight months, and, as far as we can see, it will continue for another year and may be much longer. What I want to arrive at is: What is the definite proposition that the Government is placing before the country? What are we committing ourselves to? Is the limit of Canada's aid given by this Parliament to be a vote of $100,000,000 to support a field army of 100,000 men? If that is the fact, there is no harm in saying so. If it is not, the country, and everybody in the country, should know it. I am not calling in question the policy or decision of the Government, but I think that in all honesty and fairness they should say what their decision is.

Major General HUGHES: Our intention is to keep 50,000 men in the field, which means a certain wastage every month. If it is necessary, and if it is the wish of the British Government, that we should increase that number, I presume the people of Canada will be more than willing that it shall be increased; but our figures for this vote are based upon an estimate for keeping 50,000 men in the firing line and a balance of relays going up to them. I understand that was the point of the hon. gentleman's question.

Mr. OLIVER: That was it.

Major General HUGHES: That is what we are estimating on. If we find it our duty to give 25,000 more, I have not the slightest doubt that the people of Canada will be ready to back the Government up.

Mr. OLIVER: Certainly. I wanted to know what the Government's programme was. If it is to keep 50,000 men in the field with this vote of $100,000,000, we know exactly where we are, and we know the policy of the Government in regard to it. I wish, however, to take this opportunity of, in some degree, questioning what has been done in the past in this particular. I do not wish to pose as a military authority, but there are certain details of the matter that have been brought to my attention very strongly that I think the House should be made aware of, and I cannot bring these details to the attention of the House without in some measure criticizing the policy that has been pursued by the Government and the department in the past. I speak of the matter of enlistments for the contingents as they have taken place during the past months. When war was declared there was a call for men which was responded to very promptly throughout the country, and the men were sent forward. It was of course known that it was the greatest war that history had ever recorded or that might be expected to occur in the future. It was understood that Canada was to take a large part in this war, that it was to be in the war as an integral part of the Empire and was to take all the fortunes of war as they came. It was understood that there were to be further enlistments. There were posters issued, "Your King and Country need you," and men were called upon to come forward for enlistment. In the part of the country where I live men sold their farms and their belongings on their homesteads, and came from distant parts of the West, some of them from the Peace River district, and some from far outlying homesteads, to answer this call. When they came to the centres where they expected to be enlisted, they got no consideration whatever. Many of them walked the streets, and spent the little money they had realized from the sale of their property waiting until their King and country, in the persons of the agencies of the Militia Department, should call for their service. Some of these men came in with considerable money—several hundred dollars, and some came in with very few dollars, and in a short while, as times were very dull and work was not available in the cities, many of them were stranded. Some of them were not only seriously discouraged, but had to find their way home as best they could or find some other location in which to earn a livelihood. From time to time notices came that enlistments were to be made. From time to time enlistments were made, but that condition of uncertainty and indecision continued in the conduct of the affairs of the Militia Department until some

5 p.m.

time during the month of December, if not the month of January, when final enlistments were made for what is called the third contingent. That condition of affairs militated very seriously against the spirit of sacrifice which is the first necessity to military enthusiasm. If a man has made every sacrifice that he can make and has placed himself at the disposal of his country and he is ignored and treated with contempt, it is not unreasonable to believe that that not only affects his military enthusiasm very seriously, but that the contagion is apt to spread and affect the enthusiasm of those in like circumstances.

I do not think I would be warranted in supporting this vote without calling the attention of the House to that condition of affairs, and to say that I consider it absolutely inexcusable. If it ever was necessary to enlist the number of men we have enlisted, and I certainly think it was necessary, it was just as necessary in the month of August last as it was in the month of January. If that enlistment of approximately 100,000 men had been made when the men were coming forward and offering themselves, it would have been an inspiration to the country at large. Although we have had a very good response, we would have had an even better response than we have had. We might have been in a position now to have a larger force and to be more fully represented where the danger is, and where the sacrifice is being made, and where great events are to take place within the next few months. I have heard many reasons given why this was not done. It is because it was not done at the time when, in my humble judgment, it should have been done, that I approach the question as to what is the intention of the Government under the vote that is now being taken. If the Government has the intention of taking a greater part in these world-shaking events, I say to them, now is the time to take that part and not at some time in the future. If that enlistment had been made when, in my humble judgment, it should have been made, Canada would have been represented more fully than she is to-day, and it is to-day and in the next few weeks that the representation which Canada sends is wanted, and wanted most. It may be said that there was a lack of equipment, and of course equipment had to be provided, but at the same time it is necessary that men shall be gathered together, so that they may learn forms of drill, and these forms of drill could be learned in large measure without any very full equipment. The men who could have been enlisted in August or September last would now have been ready to take their part. The equipment is ready now, but these men have not had that period of drill which fits them for their places in the firing line. They cannot go forward when the need for them is greatest, and we are prejudiced to that extent in the part we desire to take in these terrible events. It is not because of idle curiosity or a wish to criticize that I speak, but because I would not wish to see these events, which occurred in my part of the country last fall, occur in the future. I would like to see the Government make up its mind in good time exactly as to what it was going to do, and then do it, and not say: we will send our last men and spend our last dollar, and while they are saying that men are offering their services and are simply being ignored and compelled to return to their homes. If the Government purpose taking a greater part in the war than is laid down in these Estimates, now is the time to say what they intend to do, and what they want, and then let the men who are prepared to make the sacrifice know that they are wanted and that their sacrifice is appreciated.

Major General HUGHES: The hon. gentleman referred to a locality in the Dominion of Canada which is unique. Edmonton is the rallying-point, so to speak, for all the country beyond it. At the outbreak of the war there were a great many splendid young fellows who had been engaged in railway construction or in one occupation or another, far beyond Edmonton, and they rallied into that city and the Edmonton regiment, under command of Colonel Maynard Rogers, which was sent to the front, was one of the best in Valcartier or Salisbury. Previous to my leaving for England, it was decided that the second contingent should be enrolled. The second contingent was enrolled, and one infantry regiment was taken from Alberta, and also a cavalry regiment. Edmonton furnished a squadron, if not more, for that second cavalry regiment, and also quite a percentage of the men of the 31st regiment, which was assembled there. Immediately on my return from England, we set to work on the third contingent, and in less than three weeks from the time I recalled Colonel Griesbach, he had a lot of splendid men gathered together. There was another regiment

under Colonel Horwood. Edmonton has raised another squadron of cavalry and another regiment of infantry, all fine young fellows. It may be true that we did not take all the men offering at Edmonton, but still the enlistment had to be graduated according to the wishes and requirements expressed from time to time, and limited by our accommodation for the men. The hon. gentleman (Mr. Oliver) knows as well as I know, that Edmonton could not possibly have provided for four regiments of infantry in winter time, even if they were billeted around the town, and it is not desirable to have the men in billets if it can be avoided. Edmonton has done splendidly, but Edmonton could not possibly have accommodated several regiments, and the system of billeting out does not tend to discipline. I am satisfied that all in all Edmonton has done splendidly. In October when I was absent I know they wanted to go on enrolling two new regiments, but Edmonton was given a fair share, and we had to allot the proportion of enlistment fairly between the different parts of Canada. I am proud to say that the province of Alberta has furnished relatively more men per head of the population, than any other portion of the Dominion of Canada, as I believe that one out of every forty of the people of Alberta have enrolled in the service in one way or another. As to the city of Edmonton itself, we could not do any better than we have done. Already Alberta has, I think, supplied four regiments, a part of a fifth regiment, and six squadrons of cavalry.

Mr. OLIVER: I am not criticising the Government for their conception of their duty; that is a matter for their responsibility. I merely urge that this enlistment of men for foreign service be not taken lightly. The man who leaves his farm leaves his prospects, leaves his future, even if he should return safe and sound; and for the credit of the Government and of everybody else it should be well known in good time what is wanted and when it is wanted. If this point is guarded there will be a better response and better satisfaction all round. So far as Edmonton is concerned, our position was no different from that of Calgary and many other points of the West where men came from far points expecting to be enlisted and were not enlisted. That is over and done. All I urge is that the errors or mistakes which have occurred in the past shall not occur in the future. There may have been excuses for them in the past; there are no excuses for them in the future. If it is the intention of the Government that there should be a larger part taken in this war than we are preparing to take, I say now is the time and here is the place to make that declaration and that preparation.

Bill reported, read the third time, and passed.

GOVERNMENT RAILWAYS PURCHASE BILL.

On motion of Hon. Frank Cochrane (Minister of Railways and Canals), Bill No. 105, to amend the Government Railways Act and to authorize the purchase of certain railways, was read the second time, and the House went into committee thereon, Mr. Blain in the Chair.

On section 1—acquisition of railways and works:

Mr. MARCIL: I was not here on Saturday when this Bill was up. I would like to renew the question I asked on another occasion: Is there any intention to take over the Quebec and Oriental and the Atlantic, Quebec and Western railways.

Mr. COCHRANE: I do not think it is in the interest of the country that I should name any roads that I propose to take over.

Mr. MARCIL: The International has been taken over?

Mr. COCHRANE: Yes, and this Bill is to ratify that action.

Mr. MARCIL: And the minister is not in a position to state what intends to do with regard to those other roads?

Mr. COCHRANE: Not yet.

Mr. GRAHAM: The minister provides in this Bill for taking over two railways. Can he tell us about these roads?

Mr. COCHRANE: I explained that the other day.

Mr. GRAHAM: I regret to say I was not here.

Mr. COCHRANE: The International road runs from Campbellton to St. Leonard's, a distance of 112 miles. It is in good physical condition, except for one curve and grade, which I think we shall be able to change. I have a vote of $25,000 this year to do it. The justification for taking over this road is that the International bridge at St. Leon-

ard's was being completed and it would have enabled this road to cut into the Intercolonial railway's trade. That place is a very large lumber section, and the taking over of this road will give us a shorter line through the eastern states. They could have injured the receipts of the Intercolonial railway very much. We shall be able to serve the shippers at that point at a lower rate and, I think, make as much in net profits for the Intercolonial railway as we could the other way. The other road, the New Brunswick and Prince Edward Island, is taken over for the purpose of connecting the Intercolonial railway with the car ferry for Prince Edward Island. That is a road thirty-six miles long not in very good shape.

Mr. GRAHAM: Is that the road a part of which is floating?

Mr. COCHRANE: No. I was over it, and while it was not exactly in good condition we have improved it to some extent and must improve it more.

Mr. GRAHAM: How much are we giving for it?

Mr. COCHRANE: It is stated in the Bill —$270,000. It was bought on condition that we pay four per cent until the House voted the money to pay for it. The other road was leased for five years at $90,000 a year, which is a little less than 3½ per cent, and then we are buying it at $2,700,000. I think I can safely say that it would cost at least that amount to build the road to-day; I think it would cost that when it was built.

Mr. MARCIL: What has been the result of the operation of the International railway? What information can the minister give as to the receipts and expenditures?

Mr. COCHRANE: I cannot give the exact receipts, but I think I can safely say that the road is paying its running expenses.

Mr. MARCIL: Has the minister given any consideration to the construction of a bridge at Campbellton, over the Restigouche river, to connect the International and Intercolonial systems with the system of railways in the Gaspé peninsula? Numerous petitions have been sent in by the people of Restigouche, the board of trade of the town of Campbellton, the county council of the county of Restigouche, the town of Dalhousie, and all the municipalities on both sides of the river. The late Government was petitioned in this matter, and petitions have been sent to the present Administration. I understand that a deputation was here recently in connection with the matter. Has the minister given any consideration to the subject?

Mr. COCHRANE: I have not considered it.

Mr. PUGSLEY: I am glad indeed to hear the minister express the opinion that this traffic can be carried by the shorter route over the International railway across the bridge which is now being constructed over the St. John river. I am informed by the president of the company that the bridge will be ready for use by April 15. Certainly it is creditable to the company that, having begun the work only in the month of August last, they have been able to complete it in such a short period of time. The construction of the bridge is also somewhat unique by reason of the fact that no public aid has been given to the company either by this Government, the Provincial Government or the municipalities. This shows the great confidence which the people interested in the traffic have in the possibilities of that traffic. I know the country very well; the railway runs through a magnificent country, which is well timbered, and a large part of which is well adapted to agriculture. Since the construction of the road I understand that over 5,000 settlers have gone into that country.

Mr. COCHRANE: Into the timber land?

Mr. PUGSLEY: They have gone into the timber country, settling along the railway line, but very great care is being exercised, both by the railway authorities and by the Government to prevent the destruction of the timber. As I say, the land is exceedingly fertile and well adapted to farming, and I am sure that before many years it will become a splendid agricultural country. I quite realize that the Government has acted wisely in taking the road over. I have always felt, from the statements of railway experts, that this line occupies a strategical position, and if it were to go into the hands of another company interested in taking the traffic, the result would be a serious interference with the traffic handled by the Intercolonial railway. I am glad, indeed, that the minister has decided to take the road over. I think that if he acts under the powers contained in the first section as prudently, so far as the company is concerned, as he has acted in respect of these two roads, the country will not be very much the loser by reason of this legislation. I desire to express my gratification that at last, after many years in which the acquisition of

branch lines of the Intercolonial railway has been urged by members of this House, more especially, I think, on this side—until some four years ago, when the hon. member for Kings and Albert (Mr. Fowler) took the matter up—to know that we are likely at last to have a consummation of the policy of taking over the branch lines of the Intercolonial railway. If I were in my hon. friend's position, however, I would not be too careful to be always sure that the branch lines would pay the Intercolonial from the standpoint of traffic.

Mr. COCHRANE: You have just said that if I buy the others upon as good terms as I bought these, I should be doing all right.

Mr. PUGSLEY: That is true; that would be as to price. But there are some small branch lines which do not show very great traffic earnings, but which serve fairly important sections of the country. When it becomes known that, by reason of Government operation, there will be a permanent, continuous and satisfactory service, industries will be established along these lines, and the country will develop to a greater extent than it possibly could develop while uncertainty of operation exists. Another important matter is that instead of being obliged to pay double rates, as they do now, persons who receive goods over the railway will be subject to the very great advantage of only one freight charge, based on mileage. I feel sure that the carrying out of this policy will result in a very great benefit to the people of the Maritime Provinces, and I think also to certain sections of the province of Quebec.

Mr. MARCIL: When the International railway was built there was to be a bridge at each end of the road, one at St. Leonard's, and one over the Restigouche river at Campbellton. An Act of Parliament was passed authorizing the construction of a railway and highway bridge over the Restigouche river, for the purpose of giving the Gaspé peninsula easy access to the Intercolonial railway and the New England States.

Mr. COCHRANE: Was an appropriation made?

Mr. MARCIL: A subsidy was voted, but the president of the railway, Mr. Malcolm, subsequently declared that this subsidy was not sufficient to build the line, and that the Government would have to guarantee the bonds. This subject was under consideration when the change of Administration took place. However, the taking over of the International will provide a short cut to the New England States for the Gaspé peninsula. The Quebec Oriental railway was known at different times by two other names. It was originally known as the Baie des Chaleurs railway; then it had another name, the Atlantic and Lake Superior; finally it became the Quebec Oriental railway. When the minister takes over this road I am sure that he will see that the properties which have been taken over as rights of way will be paid for. Many farmers from Matapedia to New Carlisle have had their farms cut up by the construction of this road, and have never been paid for the right of way. The station at Cross point, opposite Campbellton, is on the farm of a man named Fraser, who never received a dollar for his property. The Baie des Chaleurs Railway Company made certain offers which the farmers would not accept. When the company went into insolvency, the Atlantic and Lake Superior Company took over the project, and they also did not pay for the right of way. There are, in addition, claims for labour, board and material on the part of persons all along the line from Matapedia to New Carlisle. I hope that the minister will see that the people are treated properly; that those who gave their properties as rights of way, and those who furnished material, board, etc., are properly indemnified.

I would call his attention also to the importance of the lower part of the road—the new road which has been built from New Carlisle to Gaspé. That is in as good condition as the International was or is to-day. A special subsidy was voted by this Parliament for the erection of some 25 bridges over a very difficult country down the Gaspé basin. The fact that this road is in good condition brings about a peculiar condition of affairs. At Chandler, in the township of Pabos, in Gaspé, an American company from Philadelphia has established a large pulp industry and is expending $2,000,000 or $3,000,000. I understand that a number of Canadians are now associated with that company. This company transported a lot of their material over the Atlantic and Lake Superior railway from the Intercolonial at Matapedia down over the Quebec and Eastern to New Carlisle, from Matapedia to New Carlisle being so unsatisfactory, they have entered into an agreement with Mr. Scholes to utilize the deep water wharf at Gaspé to bring in supplies to Gaspé, which is connected with the Atlantic, Quebec and Western railway;

and then they move their materials to Chandler over that road, which is in a good state, so that the Intercolonial is avoided entirely and loses all this traffic because of the state of the railway between the Intercolonial and the new Gaspé railway. I hope when the minister considers that the time has come—and it surely has come—when Gaspé should have proper connection with the Intercolonial, he will bear these points in mind. Gaspé is the oldest constituency in Quebec; it was there that Jacques Cartier stopped before he ever went to Quebec or Montreal; and the people there have been looking in vain for proper railway accommodation, and I trust the minister will see that they get it and get it under favourable terms. I trust he will also see that all the claims which the people have been seeking to recover, year in and year out, for the last 20 years will be paid—claims for time checks, right of way, board bills, and accounts of various kinds. When the road is taken over, let us hope that this chapter will be finally closed to the satisfaction of the population in that district.

Mr. COCHRANE: When the time comes for taking over the road, I will certainly make that a condition. Whether it is mortgaged up to the teeth or not, if they want to sell it to us they will have to pay these debts. I had a man go down to try to get a statement of the debts from the people themselves, and I think he now has it pretty fully prepared. In reference to the other point, as long as people can get shipping by water it is very hard for any railway to compete; but I can understand that if this branch of the road were put in proper order and this connection made by building the bridge so as to provide a line to the eastern States that way, we might possibly capture some traffic. I will certainly have the matter looked into. Financial conditions are such that we cannot do much this year, but that will not prevent us investigating and being ready when the time comes.

Mr. GRAHAM: I notice the words:

> Provided further no such railway shall be so constructed, leased, purchased or otherwise acquired unless it directly connects with the then existing Government railway system.

Mr. COCHRANE: That might prevent what my hon. friend is talking about. These two roads are owned by two different people.

[Mr. C. Marcil.]

Mr. MARCIL: Yes, two different roads connecting at New Carlisle—one 100 miles in length and one 102 miles in length.

Mr. GRAHAM: They are too long and do not absolutely connect. What is the definition of "directly"? Suppose a railway were on one side of the St. Lawrence river and the Government railways were on the other side and you had a railway ferry across, would that be direct connection?

Mr. COCHRANE: It might be, but not unless the ferry was there.

Mr. GRAHAM: Take the city of Quebec. They have a ferry on which they take cars across. Would a railway starting in Quebec be considered as being in direct connection with the Intercolonial?

Mr. COCHRANE: There might be a point there.

Mr. GRAHAM: I shall make it plainer. It has been stated in Montreal during the past week that certain railway arrangements have been made satisfactorily to the Government to do something with the Quebec and Montmorency railway—that the railway is going to be put in better condition and possibly pass into other hands. Under this section, if that railway ferry makes direct connection with the Intercolonial, that road could be taken over under this Act. What is the length of that road?

Mr. COCHRANE: It is about 90 odd miles long.

Mr. GRAHAM: It would depend altogether on what is meant by direct connection.

Mr. COCHRANE: Before the tunnels were built under the Detroit river my hon. friend would not say that the Grand Trunk and Canadian Pacific railway did not have direct connection between the two sides of the river. I am not arguing in reference to the road referred to, because I have not considered it.

Mr. GRAHAM: I rather agree with the minister that that might be taken as a direct connection. Consequently this road might be taken over under this particular Act.

Mr. COCHRANE: I think not.

Mr. GRAHAM: Has any suggestion been made that this road will be taken over?

Mr. COCHRANE: No.

Mr. GRAHAM: It is a matter of some interest in Montreal. It was being dis-

cussed quite freely there the other day, and many business men in Montreal who were stockholders in this road were led to believe that it was going to be taken over.

Mr. COCHRANE: It has not come to me anyway.

Sir WILFRID LAURIER: I understood the other day that the Government policy was that this legislation was to apply only to branches of the Intercolonial.

Mr. COCHRANE: Yes.

Section agreed to.

On section 3—to authorize the purchase of the New Brunswick and Prince Edward Island railway:

Mr. COPP: I would like to express, on behalf of the people of that section of Westmorland county, gratification that the Government has seen fit to enter into an agreement for the purchase of the New Brunswick and Prince Edward Island railway. That is a branch line of railway that has been operated by a company for some thirty years from Sackville to Cape Tormentine, and during that time it has been allowed to get into a rather dilapidated condition, as the minister has said. It runs through settlements where there is quite a large traffic from lumber as well as from the agricultural community, and it also connects some rather thriving villages with the junction at Sackville. I am sure the people of that district will appreciate very much the fact that the Government is going to take over this road and make it part and parcel of the Intercolonial. I would urge on the minister that it is very necessary during the coming season to improve the road. If we are going to have the car ferry across to the island, this road will require many improvements immediately. I believe that the road has been under operation by the Government since August 1st last. The only criticism I would offer would be that, unfortunately for the people living along a section of that road, the Government, since taking it over, have increased the freight rates. I do not think the company ran the road at a loss, and I cannot understand why it was necessary for the Government to increase the freight rates as high as 100 per cent in some cases. I should like the minister to look into the matter and see if he cannot put the rates back to what they were when the road was operated by the company.

Mr. COCHRANE: I shall be very glad to look into it.

Section agreed to.

Bill reported, read the third time, and passed.

At six o'clock, the House took recess.

The House resumed at eight o'clock.

SUPPLY.

The House in Committee of Supply, Mr. Blain in the Chair.

Department of Railways and Canals—Intercolonial railway—Chaudière Junction to St. Romuald—double tracking, $30,000.

Mr. GRAHAM: What is that for?

Hon. FRANK COCHRANE (Minister of Railways and Canals): We are double-tracking there. The contract was let to Soper and McDougall, and this is a re-vote of $30,000 to complete the contract.

Intercolonial railway—diversion of line between Nelson and Derby Junction, $6,000.

Mr. LOGGIE: When the committee rose on Friday night, I had been referring the minister to the matter regarding the taking up of the rails on the south side of the Miramichi river and drawing his attention to the fact that the residents of that section of my county, who had enjoyed the privilege of a railway for some thirty or forty years, were still without an approach to the railway on the north side of the river. I intimated that the minister had made some promise regarding this matter last year. I find that it was not the minister who made the promise but the acting minister, the hon. Minister of Customs (Mr. Reid). Let me refer to the debate on that occasion as reported in Hansard, 1914, page 5112.

Mr. Loggie: The minister on Friday last said that:

"Bridges are now being built across the river, or it is intended to build them."

Who is intending to build them?

Mr. Pugsley: He was more positive last week than he is now.

Mr. Reid: No. I am just as positive now that the bridges are to be built.

Then, on page 5113:

Is it not reasonable that, before final action is taken, the Minister of Railways and Canals should discuss the matter with the Provincial Government and see what is advisable to be done, whether this Government or the Provincial Government should build the bridges and where they should be located? That is the reason why it is very difficult for me to give definite information upon the matter or to arrive at a final decision.

Perhaps I had better read a portion of what the hon. member for St. John (Mr. Pugsley) said, as reported at page 5112:

> Mr. Pugsley: I thought a definite promise had been given to the people when the Minister of Railways was down there before. The people there were naturally aggrieved at having a railroad which had been in operation for some twenty-five or thirty years removed, and, as I understand it, the injustice was recognized and a statement made to the people that these bridges would be built in order to give connection with the railway on the other side of the river.

What I want the minister to bear in mind particularly is that the people on the occasion of his visit were led to believe that the request for a bridge would be favourably considered.

Mr. COCHRANE: Who led them to believe that?

Mr. LOGGIE: I would judge it was the Minister of Railways and Canals.

Mr. COCHRANE: I would like the hon. gentleman to prove it.

Mr. LOGGIE: I cannot do any more than give the statement of the hon. member for St. John as quoted here and confirmed by my hon. friend from Gloucester (Mr. Turgeon), who is reported at page 5113 to have said:

> I remember the occasion when the Minister of Railways and Canals told the people of the locality that he proposed to take away that railway because it was, in his estimation, not a paying propositon, and that in compensation for the railway facilities he was taking away he would build a bridge, or two bridges —one for sure—across the river in order that the people might have connection between their homes and the station.

Mr. COCHRANE: Let me just say now that I never made that promise nor led them to believe any such thing.

Mr. LOGGIE: Of course, I have to take what the minister says, but at the same time I think that the deputy minister and the acting minister a year ago did encourage me to believe that the matter would be favourably considered.

Mr. COCHRANE: Not in what you have read.

Mr. LOGGIE: Well, I do not know. The hon. Minister of Customs said:

> I am just as positive now that the bridges are to be built.

Mr. COCHRANE: He did not say by whom.

[Mr. Loggie.]

Mr. GRAHAM: Who was he speaking for?

Mr. COCHRANE: I do not know whom he was speaking for.

Mr. LOGGIE: I do not want to get into any controversy with my worthy friend the Minister of Railways and Canals; what I want him to do is to implement what I look upon as his promise. The minister has made a survey of the very places where the bridges are to be constructed. I want him to tell me if he can, what is the estimated cost of the substructures. Even if the local government should build the substructure, I am sure that his department will not object to supplying the superstructure, because they have old bridge material almost going to waste that would admirably suit this situation. The Government are not doing their duty to that locality, inasmuch as they have removed the railway, if they do not give these people an approach to the railway that they are now operating. The people of that portion of my county have been encouraged to believe that there would be a bridge built there and that they would have an approach to the railway that is being operated. I do not think that this Government should begrudge the money that it will take, and I hope they will take the matter into consideration and have the bridge constructed even if the local government pays the cost of the substructure. It would not be a very large outlay. The people whom they have deprived of the railway that they had been enjoying for so many years are surely deserving of consideration in this matter. I know the minister wants to be fair. The people were led to believe that these bridges would be constructed.

If the minister is not in favour of doing the entire work himself, he should at least implement the promise made by the acting minister last year, and supply the superstructure if the local government would build the substructure. This is a very urgent matter, from my point of view, and I know I am stating the mind of my constituents when I press it upon the minister.

Mr. COCHRANE: I made an inspection of this branch and I found there would have to be two new bridges erected and that the road was not in a fit state to run trains upon. The service was not good on the road, and I found that most of the people going to Chatham and Newcastle crossed over the river and took the railway on the

other side. I did not consider there was traffic enough to warrant us going to the large expenditure necessary to put that road in proper shape. I do not want to have the hon. gentleman put words in my mouth, and I may tell him I never led the people to believe anything of the kind he says I did. I consulted Mr. Maloney, the mill-owner, and I asked him if we fixed the road and ran trains on it would he give us his traffic, and his reply was that if it suited him he would, but that if he could ship by boat he would do so. I do not blame him at all for it, because, of course, he was quite right, but the fact remained that there was not enough traffic on the road to justify its operation. I repeat that I did not give the people down there the promise that the hon. gentleman says I gave them. When I go on a special trip I have my secretary by me who makes a note of anything said by delegations, and consequently I am able to speak quite definitely on such matters as that. Sometimes the Federal Government may contribute to an interprovincial bridge, but it certainly is not the policy to contribute to bridges within the province. If our Highways Bill ever passes, we can take up the very kind of thing to which the hon. gentleman refers, because this may be one of the highways which it would be in the general interest to build. My hon. friend (Mr. Loggie) shakes his head, but he never yet has heard the scheme described which might be evolved from that measure, had it passed. I am not bringing that Bill in now, however, and there is no use in discussing it. I know nothing of surveys having been made, as the hon. gentleman says they were, but perhaps the work was done when I was away, and, therefore, I cannot contradict my hon. friend. It is the province which should move in the matter and not this Government, and if the province sees its way to undertake any bridges which this Government might assist them in, I shall be glad to hear representations from the province in that respect.

Intercolonial railway—diversion of line between North Sydney and Leitche's Creek, $60-000.

Mr. CARROLL: What has been the increase in the freight rates from Sydney, on account of the construction of that line?

Mr. COCHRANE: I do not know; I have not the freight rates here.

Mr. CARROLL: This line is of course a great accommodation to the people of Sydney Mines and Bras d'Or, but the freight rates have been very much increased since it was constructed, as I have been informed by business men in Sydney.

Mr. COCHRANE: The matter has not been brought to my attention and I will look into it at once. As it would appear now there does not seem to be justification for it.

Mr. CARROLL: Neither do I think there is any justification for the increase, and I would be glad if the minister would make a note of it and inform me.

Mr. COCHRANE: I will.

Mr. CARROLL: I am informed that the same freight rates are charged from Truro to Sydney, as from Antigonish to Sydney, although there is a difference in the haul of eighty miles. Does the hon. minister think that is fair?

Mr. COCHRANE: It would depend on where the shipment comes from. I do not think it would be fair as regards local shipments, because I think there should be a somewhat higher charge for an extra haul of 80 miles.

Mr. CARROLL: I have been informed by a gentleman who was about to buy a horse at Truro, that the freight rate quoted to him for the carriage of that horse to Sydney was $7.20. He bought the horse in Antigonish, 80 miles away, and he had to pay a rate of $7.20. I do not think it is fair to the railway itself or to Antigonish and the points intervening between Truro and Sydney, that the same rates should be charged.

Mr. COCHRANE: You say that the rate on a horse from Antigonish to Sydney was the same as from Truro to Sydney?

Mr. CARROLL: Yes.

Mr. COCHRANE: Can you give me particulars as to the shipment?

Mr. CARROLL: The shipper was Ronald McKeegan of Catalone Gut, Cape Breton county, and the waybill was dated January 20, No. 243, car 60460.

Mr. COCHRANE: I will inquire about that.

Intercolonial Railway—general protection of highways, $16,000.

Mr. COCHRANE: This vote includes: Subway at Amherst, $9,000; subway west of Little Metis, $7,010.

Mr. GRAHAM: Is the one at Moncton finished ?

Mr. COCHRANE: No.

Mr. GRAHAM: How many level crossings have been done away with on the Intercolonial railway ?

Mr. COCHRANE: My official says that 20 have been done away with since I took office.

Mr. GRAHAM: Some years ago an Act was passed for the elimination of level crossings. The Board of Railway Commissioners have power to recommend that a certain amount of the cost be paid by the municipalities, a certain amount by the Government and a certain amount by the road. The Intercolonial railway, as a Government road, should set a good example to the provincial municipalities in the matter of getting rid of level crossings.

Mr. MACDONALD: I wish to call the minister's attention to the matter of calling for tenders for the coal supply for the year. In a great many of the mines in Nova Scotia the men are working half time, and they are very anxious to know when the coal contracts are to be let. For years these contracts have always been let at this time of the year, and I cannot see any reason why the minister should postpone the matter unduly. The department is a month late in asking for tenders; I should like to know the reason for the delay.

Mr. COCHRANE: We have a large quantity on hand; that is why we have been slow in calling for tenders. As the hon. gentleman knows, I have been exceedingly busy this winter I am sorry to say that my deputy has been sick nearly all winter, and my secretary, part of the time. Consequently, I have had more work to do than I would have had if these officials had been with me.

Mr. MACDONALD: This matter would be reported upon by the management of the Intercolonial railway; they know how much coal they have on hand, and can estimate how much they will need. The calling for tenders is a matter that should be settled early in the season, particularly this year, when navigation is somewhat difficult and vessels hard to get. Then, again, there is the question in which the men are interested: As to how much work they are going to be guaranteed this year. They are working half time in many of the coal mining districts, and complaints are coming from the representatives of the men in regard to the matter.

Mr. COCHRANE: It will not be long before we take the matter up.

Intercolonial railway—Halifax, docks and wharves, $30,000.

Mr. COCHRANE: This is to finish up pier No. 2.

Mr. GRAHAM: It has nothing to do with the real terminal scheme?

Mr. COCHRANE: No.

Mr. A. K. MACLEAN: Could the minister give me an explanation of a somewhat large amount which is in the Supplementary Estimates for Halifax docks ? Has that reference to the ocean terminals?

Mr. COCHRANE: This was carried on from last year and has been put in the Supplementary Estimates. This $30,000 completes pier No. 2.

Mr. MACLEAN: This is for No. 2 pier?

Mr. COCHRANE: Yes.

Mr. MACDONALD: Have all the land damages been settled in Halifax?

Mr. COCHRANE: I do not think there were any land claims in connection with this work. On the big scheme they are not settled, by any means.

Intercolonial railway—Halifax, new terminal facilities, $3,000,000.

Mr. GRAHAM: How much does the Government expect to spend to complete the terminals there?

Mr. COCHRANE That would be a little hard to say. The road down to the docks, the station, the sea wall, 2,000 feet long and the slip, have to be completed. The breakwater is well under way.

Mr. A. K. MACLEAN: How much will be spent this year?

Mr. COCHRANE: $1,750,000.

Mr. GRAHAM: I suppose when these terminals are completed they will have sufficient capacity to accommodate all railways that may go in there?

Mr. COCHRANE: Yes, that is the idea.

Mr. GRAHAM: I suppose the Canadian Northern railway will eventually get there ?

Mr. COCHRANE: They have been discussing the question of obtaining running

rights or arranging for an interchange of traffic in the province of Quebec.

Mr. GRAHAM: In reference to the guarantee of bonds, I think there is embodied in one of our statutes a provision whereby the Intercolonial may enter into some arrangement to this end with the Canadian Northern. So they will have to get there in some way to complete their lines. There are the Canadian Northern railway, the Transcontinental, the Canadian Pacific railway, and the Intercolonial railway.

Mr. COCHRANE: Yes.

Mr. GRAHAM: I understand that these terminals are of sufficient capacity to accommodate all the traffic that will come to Halifax?

Mr. COCHRANE: When the whole scheme is laid out it will accommodate all the roads that will come in for a number of years. But I do not know that the works that are now under contract will do that.

Mr. GRAHAM: This is only one unit?

Mr. COCHRANE: Yes.

Mr. GRAHAM: And I suppose the Government is keeping in its own hands the right to regulate the terms made with these other roads coming in?

Mr. COCHRANE: Yes.

Mr. GRAHAM: This being Government property, and the Intercolonial railway having possession, the other railways will come in under approximately the same terms?

Mr. COCHRANE: Yes.

Mr. GRAHAM: That being the case, if traffic increases as it ought to increase, I think the Government is not making much of a mistake in going a little ahead of the traffic. By letting the contract for one unit, and with plans for others, I imagine the Government will be able to keep up with the traffic as it increases.

Mr. COCHRANE: Yes.

Mr. GRAHAM: The point I ask definitely is this—will the right of all railways be protected? Outside of the Intercolonial railway, will the other roads be brought in on practically equal terms, so that one will not have an advantage over the other?

Mr. COCHRANE: Everybody will be treated alike.

Mr. GRAHAM: I suppose the country is committed a little more to the National Transcontinental than to the other lines?

Mr. COCHRANE: Something similar to the Intercolonial railway itself.

Mr. GRAHAM: So that the Intercolonial railway will be the Government end of the Transcontinental?

Mr. COCHRANE: Yes.

Mr. GRAHAM: Of course, the sum is a large one to expend, especially this year, when dollars look much larger than they do when revenues are buoyant. But, personally, I should think the Government is taking the right stand in preparing for future traffic, and, while having plans for extension, to complete only one unit. We shall be disappointed in this country if we do not have traffic enough going to our maritime ports to use the greater portion of these facilities.

Mr. COCHRANE: The whole new scheme covers accommodation for thirty boats at one time.

Mr. GRAHAM: That will be three units.

Mr. COCHRANE: Yes.

Mr. GRAHAM: To be finished only as trade increases?

Mr. COCHRANE: Yes.

Mr. A. K. MACLEAN: Has the department under immediate consideration the proposal to connect the railway system at Dartmouth and the railway system on the Halifax side with a bridge?

Mr. COCHRANE: We have not done any more than talk it over; we have not done anything practically. I have been waiting to find out if there is enough traffic on that new Dartmouth-Deans road to make it worth while. I am not familiar enough with the country there to know what the traffic is likely to be.

Mr. MACLEAN: You are not likely to make an early commencement on that project?

Mr. COCHRANE: Not this year.

Mr. MACLEAN: If members of the Government come to Halifax within the next few months and make statements about the early construction of this bridge, I shall be justified in saying that they are unofficial and unjustified?

Mr. COCHRANE: I have made my statement, and I cannot help what others may say.

Mr. SINCLAIR: When the station at the south end is open, is it intended to close the north station?

Mr. COCHRANE: I think likely that station will be closed, but we shall have to keep our facilities for freight there. I do not see the necessity for two stations.

Mr. GRAHAM: There was a disagreement at one time between the Intercolonial railway and another railway about the use of our station in Halifax.

Mr. COCHRANE: The Halifax and Southwestern.

Mr. GRAHAM: Something of that kind. Did that ever get straightened out?

Mr. COCHRANE: No, they owe us quite a sum. We are trying not to let them get in any deeper.

Intercolonial railway—Halifax—to increase accommodation and provide machinery at, $3,500.

Mr. GRAHAM: Does that mean shops at Halifax?

Mr. COCHRANE: It means some track changes there.

Intercolonial railway—Halifax—Willow Park sewer, $14,900.

Mr. COCHRANE: This sewer emptied where the new harbour facilities are being provided, and we had to change the outlet.

Mr. GRAHAM: I see the Government spent $100 there last year.

Mr. COCHRANE: That was for a survey. The contract was not let then.

Mr. GRAHAM: Do you intend to spend it all this year?

Mr. COCHRANE: We will have to, I think.

Intercolonial railway—Hampton—subway and facilities at, $39,750.

Mr. COCHRANE: This is a re-arrangement of the tracks to provide proper switching facilities; also the subway will eliminate a dangerous crossing.

Mr. GRAHAM: You did not spend much on that last year.

Mr. COCHRANE: No, we shut down on nearly everything last year.

Intercolonial railway—installation of block system in connection with operation, $14,000.

Mr. GRAHAM: I am sure it would be of interest to the public to know how much of the line is under the block system. And does the minister use any of these signals that we see advertised? I know that gentlemen waited on the department to have danger signals introduced connected with the block system.

Mr. COCHRANE: I do not know what system my hon. friend refers to. Anything of that kind that is brought to my notice, I refer to the engineers on the ground, because they know about these things and I do not. The people in this case are the General Railway Signal Company of Canada, Limited, of Lachine, Que. The portions of the road under the block signal system are from St. John to Hampton; Moncton to Painsec Junction, and Windsor Junction to Halifax. These are the three most crowded portions of the line.

Mr. GRAHAM: How many miles altogether? Will the minister make inquiry about that?

Mr. COCHRANE: Yes.

Mr. GRAHAM: Without attempting to claim credit, I may say that in discussing railway matters, particularly in the province in which I live, I try to make the situation of the Intercolonial railway clear even since my hon. friend the present minister has mixed it up. I have endeavoured to point out to the people in the other provinces that the Intercolonial railway was not the drag that they had sometimes been led to believe, but that it was a good piece of property.

Mr. COCHRANE: I believe that.

Mr. GRAHAM: And I have tried to do that no matter which Government was in power, in defence of our own Government railways, because I believe that the Intercolonial railway has been largely misunderstood for many years and that the money we have been putting into it has not been sunk but will bring a return. I want this information so that in discussing the Intercolonial as a national undertaking, a national property, I can tell the people how many miles are run on the most modern block system. I think it would be well if I could have that information.

Mr. COCHRANE: I shall have that information to-morrow. If I had a time-table I could at once give the distances. This is to finish the sections which are now being equipped in this way.

Intercolonial railway—installation of telephone system in connection with operation, $100,000.

Mr. McKENZIE: What is this installation of a telephone system?

Mr. COCHRANE: It is for a telephone system between Moncton and Ste. Rosalie Junction. The most modern way of operating a railroad is by telephone; it is considered much safer. Only part of this was spent last year. I hope to complete the work this year.

Mr. CARROLL: Is it the intention to install this all over the line in time?

Mr. COCHRANE: As soon as we can.

Mr. GRAHAM: The Government will own this telephone system?

Mr. COCHRANE: Yes, absolutely.

Intercolonial railway—improvements at Lévis, $200,000.

Mr. COCHRANE: Unfortunately our station at Lévis was burned last fall. We want to change it around, and will have to buy a little property. We hope to secure better accommodation both for the ferry and for the town.

Sir WILFRID LAURIER: Is this sum all for the improvement of the station?

Mr. COCHRANE: The station and the additional land we have to buy—facilities in connection with the station.

Intercolonial railway—Moncton locomotive and power shops, with equipment, $110,000.

Mr. GAUVREAU: This is a big jump from Lévis to Moncton, jumping over Rivière du Loup. I do not see why there is nothing for Rivière du Loup in this estimate. Is the minister ready to tell me what he intends to do for Rivière du Loup this summer?

Mr. COCHRANE: You mean in connection with the track from the proposed wharf?

Mr. GAUVREAU: I should like to know what the minister has in mind to do for Rivière du Loup, and then I shall have some questions to put.

Mr. COCHRANE: I do not think there is anything in the Estimates for it.

Mr. GAUVREAU: There is $50,000 in the Public Works Estimates for improvement of the harbour. If I am not mistaken, last year the Minister of Railways and Canals was ready to help the Public Works Department in connection with the unloading of coal at Rivière du Loup for the Intercolonial railway. Is there any prospect that next summer something will be done by the Minister of Railways to help the Public Works Department in that scheme?

Mr. COCHRANE: There has been a development of coal in New Brunswick and the policy of the Intercolonial has been changed to some extent in consequence. We feel that we can buy coal in New Brunswick as cheaply as we can buy it in Nova Scotia, and I understand that we can deliver it cheaper from New Brunswick than we could get it done by boats, as we would have to rail it up from the station. Our coal at Lévis, for instance, costs us more than coal costs the Grand Trunk or Canadian Pacific railway at Montreal, as our facilities are not what they should be, and it takes us much longer to unload, and they charge demurrage. Taking into consideration everything, I do not think there would be enough coal brought to Rivière du Loup to warrant our expending $75,000 or $100,000 to install an unloading plant. I think we could better afford to bring the coal from New Brunswick.

Mr. GAUVREAU: Do I understand that the minister has abandoned the plan to have coal unloaded at Rivière du Loup.

Mr. COCHRANE: Yes.

Mr. GAUVREAU: Then the Department of Public Works are to proceed alone with the scheme for the improvement of the harbour.

Mr. COCHRANE: As far as we are concerned, I have given my explanation.

Mr. COPP: Will the minister explain what it is proposed to do at Moncton? Is this an extension of the present dock?

Mr. COCHRANE: It is the installation of a power plant, and of new equipment and a rearrangement of the machinery. I do not think it is for increased buildings so much as for increased power.

Mr. COPP: You have not been building cars to any extent at Moncton?

Mr. COCHRANE: Only in slack times.

Mr. COPP: Is it the intention to build more cars at Moncton?

Mr. COCHRANE: That policy has not been decided, because I am told the cars cost more than we can buy them for, although I do not know that that is a good reason for not building them. We are short of power down there, and want to increase it. No matter who runs the Transcontin-

ental railway, we must have a good deal of work there. There is not much of a shop in connection with the Transcontinental there. But even for our own work we have not enough power there at present.

Mr. GRAHAM: Is that for new buildings?

Mr. COCHRANE: It is part of the power scheme, and for rearranging the equipment.

Mr. GRAHAM: It says "locomotive and car shops". Is the Government building any locomotives there?

Mr. COCHRANE: No, we never have done so.

Mr. GRAHAM: I think the Government has built some refrigerator cars, vans and that sort of thing down there. The Government has never tried to build passenger cars there?

Mr. COCHRANE: Only second-class. We have ordered some steel this year to see how they can work down there.

Mr. GRAHAM: This question has often been discussed before, but I know it is not easy to work out. Owing to the greater speed at which things go nowadays, railways and everything else, some of the larger companies are trying to do away with their wooden cars and use all-steel cars instead. Are we having steel cars made for the Intercolonial railway?

Mr. COCHRANE: We have steel frames. Our wooden cars, when they go to the United States, get mixed up with steel cars there, and when they get home enormous repairs have to be made. We shall have to cut them out altogether in future and not run them over there at all. We are making steel-frame freight cars now.

Mr. GRAHAM: Has the Government purchased any passenger cars recently?

Mr. COCHRANE: We are buying twelve this year; some of steel, and some of steel finished in wood. We are buying some of each to see how they work out. The all-steel cars cost about $250 apiece more than the steel-and-wood cars.

Intercolonial railway—Moncton—elimination level crossings and grades, $125,000.

Mr. COPP: Is this to deal with the crossing on Main street, Moncton?

Mr. COCHRANE: This is to finish the one they are working at now. The contract has already been let.

[Mr. Cochrane.]

Mr. COPP: A return I got the other day showed that the contract price was $45,000, I think.

Mr. COCHRANE: I have the particulars here: Subway superstructure, $21,000; substructure, $63,100; 4,500 sq. yards paving, $15,750; supporting track, 2,500 lin. feet, $1,120; 26,500 ft. b.m. hard pine, $1,590; 2,000 lbs. iron in trestle, $60; labour placing girders, $200; concrete platform and baggage room floor, $9,000. There are several other items, so my hon. friend will see there is a tremendous lot of work to do besides the excavation for which the contract has been let.

Mr. COPP: Was my hon. friend reading from the contract that has been let, or was that the estimate?

Mr. COCHRANE: The estimate is that it will take $125,000 to finish up the whole thing. The contract that has been let is not for the whole work.

Mr. COPP: The $45,000 relates to the contract that has been let.

Mr. COCHRANE: Yes, the total cost. There will have to be some change made around the station; otherwise we shall have to spend a great deal more money.

Mr. COPP: Is it the intention of the department to eliminate the crossings just a little beyond the city?

Mr. COCHRANE: That scheme is being worked out. I think an arrangement has been made with the Moncton council. I am not very familiar with it, but I think it is settled that we are to change the whole thing. Several crossings have to be attended to, but we are not going on with them this year because we cannot get the money.

Mr. COPP: This $125,000 is necessary to complete that?

Mr. COCHRANE: Yes, and what other changes are necessary?

Mr. COPP: Has the minister decided whether to ask for tenders for this work, or is the railway going to do it?

Mr. COCHRANE: I have not considered that yet.

Intercolonial railway, Moncton—installation of roofing, $22,500.

Mr. COCHRANE: The cement roof down there gave us a great deal of trouble in the winter season. It sweats and drops down on the machinery and the men. We had to take it up in instalments and put

insulated roofing underneath. The cement roof did not prove satisfactory on account of weather conditions.

9 p.m.

Mr. GRAHAM: It did not turn out the success we expected.

Intercolonial railway—Mulgrave—to provide new car ferry and dock for same, $354,000.

Mr. SINCLAIR: There is a good deal of interest felt in eastern Nova Scotia over this question. The minister is aware that the car service across the Strait of Canso is now being handled by a single boat, and that any accident to it would disorganize the whole business of the Island of Cape Breton, which is where the largest part of the traffic of eastern Nova Scotia originates. I was very pleased when the minister took this matter up two years ago and put in a vote for $354,000, but the delay in getting this duplicate boat is very disappointing. It has been a long time on the way. I should like some explanation from the minister as to what progress is being made and when the boat will be ready for service.

Mr. COCHRANE: The boat would have been ready now but the War Office commandeered the yard and put our boat off the stocks. I am in hopes that it will be along in the next two or three months. I know the danger of having only one boat there,and have urged upon the manufacturers the necessity of having the boat completed as soon as possible. We shall leave no stone unturned to get it there.

Mr. SINCLAIR: What about the dock? Is it proposed to build a new dock on the Mulgrave side?

Mr. COCHRANE: We shall have to change the docks so as to accommodate both boats.

Mr. SINCLAIR: Has any progress been made in providing docking facilities?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Have plans been prepared?

Mr. COCHRANE: I think so, but I have not got them here. I can send the information to my hon. friend before the House closes.

Intercolonial railway—permanent farm crossings and culverts, $10,000.

Mr. GRAHAM: How many will there be of these?

Mr. COCHRANE: The expenditure will be divided as follows: No. 1 district, Montreal to Mount Joli, $3,500; No. 2 district, $3,500; No. 3 district, $1,500; No. 4 district, $1,500.

Intercolonial railway—power plants—Increased facilities at divisional points, $23,000.

Mr. GRAHAM: These works will have to be carried on at the different divisional points?

Mr. COCHRANE: Yes, at Riviere du Loup, Chaudiere Junction, Mount Joli, etc.

Mr. GRAHAM: Mount Joli?

Mr. COCHRANE: That used to be Ste. Flavie.

Intercolonial railway—Pugswash, spur line —Pugwash Harbour, $5,000.

Mr. GRAHAM: Will that complete it?

Mr. COCHRANE: Yes.

Mr. SINCLAR: What is the total amount that was spent on that spur line?

Mr. COCHRANE: $28,000.

Mr. SINCLAIR: Is it in operation?

Mr. COCHRANE: It is not in operation; there is a small bridge yet to finish.

Mr. SINCLAIR: Will this amount finish the bridge?

Mr. COCHRANE: This finishes the work.

Mr. SINCLAIR: Is it intended that a daily service will be given on that line?

Mr. COCHRANE: I do not know that it will run to Pugwash, but it may.

Mr. COPP: Is there a spur line from the main line down to the wharf?

Mr. COCHRANE: There is a spur into the brickyard there.

Mr. GRAHAM: Whose brickyard?

Mr. COCHRANE: I forget the name of the company.

Mr. COPP: Who owns the brickyard?

Mr. RHODES: The Nova Scotia Clay Works.

Mr. COPP: While we are on this item I might as well say a word or two, as I cannot find an item in the Estimates that I expected to find in regard to the building of a spur line to the Sackville wharf. We had in Sackville for a number of years a somewhat dilapidated wharf, and after a great struggle we induced the Government to build a new wharf. The contract was let in 1909, the wharf was partly built in 1910, and it was

very nearly completed at the time of the change of Government in September, 1911. The present Government went on and completed the wharf, and there were some extras allowed. It cost somewhere in the vicinity of $40,000. Owing to the fact that there was some difficulty about the people of the locality agreeing on the location of the wharf, it was delayed some years, but after careful surveys had been made by the engineers all along the river they decided on building the new wharf 300 or 400 yards westward of the old wharf. There was a spur line from the Sackville station to the old wharf. The New Brunswick and Prince Edward Island railway had built a small wharf alongside of the public wharf that was owned by the municipality of Westmorland. This new wharf was built at a cost of $40,000, but when it was completed there was no road to it. The Government have, during the last three years, I believe, partially constructed a highway to it, but it is not yet completed. It is three years practically since the wharf was completed and there has never been a team to it or a vessel tied to it because there is no access to it.

Mr. COCHRANE: Who is building the road?

Mr. COPP: I think the Dominion Government.

Mr. COCHRANE: The Department of Public Works?

Mr. COPP: Probably the Department of Public Works. The point I want to make is: There was some difficulty—I do not know how it originated—between some individuals in regard to this wharf. As a result of that, for three years we have had a splendid wharf ready for service to that particular part of Westmorland county, but we have had no road to it and we have had no railway facilities in connection with it. As the minister knows, owing to the work going on at Cape Tormentine, the shippers of lumber were debarred from using the wharf there. The result was that they had to carry their lumber over the New Brunswick and Prince Edward Island railway. But they had no wharf accommodation owing to the fact that vessels of any size could not get to the wharf at all.

Mr. COCHRANE: To the new wharf?

Mr. COPP: No, to the old wharf. The new one is farther down the river. There is a bend in the river and this new wharf is built where you can get straight out to the river. After the Government has spent $40,000 on that wharf, it is only due to the town that the Railway Department should build a spur line to the wharf. I believe the surveys show and it will only cost about $12,000 for a short spur line down to this splendid and commodious wharf. If the minister would look carefully into the matter himself and not allow little factional elements to influence him he would say that the people of Sackville deserve that spur line. I trust the minister will give me his assurance that the matter will be attended to this coming season.

Mr. COCHRANE: What would be the length of the spur?

Mr. COPP: Speaking from memory, it would be about 400 or 500 yards.

Mr. COCHRANE: I shall look into the matter myself the first time I am down there.

Mr. COPP: I thank the minister.

Mr. SINCLAIR: Last session the minister took a vote for $69,000 to build a spur line to Wallace harbour. Has that spur line been built, and if not why not?

Mr. COCHRANE: I am informed by my officials that they are endeavouring to make an arrangement with the coal company, as we wish to have some assurance as to the traffic.

Mr. SINCLAIR: That item has been dropped from the Estimates this year; is it the intention of the minister to build that spur?

Mr. COCHRANE: Not now.

Mr. RHODES: Does my hon. friend object to the expenditure on this spur line?

Mr. SINCLAIR: No, but I was wondering how it was that having voted the money last year it was not expended, and I also noted that it has been dropped from the Estimates this year. Last year I understood the minister gave reasons why that spur line should be built, and I was curious to know why he had dropped it.

Mr. RHODES: This is a matter which affects my constituency, and it is only fair that I should say that I have been following it with the greatest care. It was proposed in the first instance, after a conference between the Government and the Dominion Coal Company, that a spur line should be built to the town of Wallace.

The idea was to bring coal from the collieries at Spring Hill over the spur line to deepwater on the Northumberland strait, and thence by the St. Lawrence river to the Montreal market. Shortly after a tentative arrangement had been made with the Government, there was unfortunately a fire of somewhat serious proportions in the mines, with the result that instead of seeking more markets the mines were unable to supply sufficient coal for the contracts on hand. Because of the restricted output, the idea of shipments via the Strait of Northumberland and the St. Lawrence to Montreal was held in abeyance. I believe the company is now increasing its output to a very marked extent, and my information from the officials of the company is that they purpose carrying out the proposed arrangement, and probably before very long they will be before the Government again, seeking the construction of this spur line. It is only fair to add that the agreement in question called upon the company to expend the sum of approximately $100,000 for the purpose of constructing a pier. The engagement of the Government involves the construction of this spur line of railway, and in return for the expenditure the Government had a contract with the company which called for the shipment of a minimum of 200,000 tons of coal per annum, at a minimum rate per ton sufficient to refund the Government interest upon the cost of construction of this spur. I am very much interested in the project, because apart from its merits for the purpose I have mentioned, this branch line would be a great convenience to a very prosperous district in my constituency. I am exceedingly anxious that the road should be built, as I believe the coal company is also, and I hope that in the very near future the item will be found in the Estimates again.

Intercolonial railway—raising grade between Memramcook and Sackville, $3,500.

Mr. COCHRANE: This is to bring the road up beyond high tide, and several thousand yards of ballast are required.

Mr. COPP: I think, as a matter of fact, the tide goes over the railway at Memramcook and at Sackville. Last summer and autumn there were quite a large number of engineering parties going through the woods between Painsec junction and Sackville, and it was thought that the idea was to select a new route for a road over the Memramcook or Dorchester hills.

Mr. COCHRANE: These parties were making surveys with the idea of getting a double track in the future. Several routes have been tried and none of them so far has proved satisfactory.

Mr. COPP: If the minister again sends engineering parties out through the woods there, he had better notify the people, because last fall they caused great alarm as the people thought they were going to be routed out of their homes.

Mr. RHODES: That is no doubt due to the fact that the Liberal Administration always sent its surveying parties through the Maritime Provinces on the eve of a general election. They have not yet come to understand the practice of the present Administration, who make a genuine survey even when no election was in sight.

Mr. GRAHAM: Oh, no, you expected an election last fall.

Intercolonial railway—rolling stock, $2,250,000.

Mr. GRAHAM: How is this money to be expended ?

Mr. COCHRANE: It is to be expended on applying super-heat to twelve locomotives, for 10 Pacific type passenger locomotives, 6 consolidated freight locomotives, 4 switching locomotives, ballasting equipment and rail-loaders, 200 steel flat cars, and 250 steel gondola cars. Then, there are four light wrecking cranes; and a re-vote for 8 sleeping-cars, 4 steel sleeping-cars, 4 baggage cars, 2 postal cars, 1 scale-testing car, and 1 motor inspection car.

Mr. GRAHAM: The department had a system under which a certain amount was taken from the earnings each year, and placed to the credit of named accounts—rail equipment, car renewal and fire insurance. Have these accounts been kept up, and do any of these amounts come out of these accounts?

Mr. COCHRANE: I am sorry to say they have not been kept up. I had intended to tell the hon. gentleman whether he had asked it or not. There did not seem to be any object, when you are losing money, to put money away. Better come out and acknowledge the condition.

Mr. GRAHAM: So, in addition to the deficit on the Intercolonial railway, there is a large deficiency that did not exist in other years on this account.

Mr. COCHRANE: Yes.

Mr. GRAHAM: I am not criticising, but it is well to know the situation. I admit that it would show no particular business ability to put money away in one account and then borrow on another. As a matter of fact, however, besides the $83,000 of deficit as on January 31, there is—

Mr. COCHRANE: Yes, the deficiency on these accounts will run about half a million.

Mr. GRAHAM: Will any of these cars be built in Moncton?

Mr. COCHRANE: Some of the baggage cars will be. When the House is figuring up the position of the railway, I may remind hon. members of what I formerly stated that if we were in a position to curtail expenses, there are 3,000 men whose services could be dispensed with, which would represent $6,000 a day. And as there have been over 200 days since this depression began, it will be seen that if we could do as other railways do—and we can't—we should be able to pay up this half million and have a small surplus besides.

Mr. COPP: This seems to be a pretty large expenditure in connection with rolling stock. I do not mean that it is large in comparison with other expenditures, or that it is not a proper expenditure. As I said the other day, I do not claim to be an expert in railway matters; but I think it would be a very proper thing, if this item passes, as no doubt it will, for the minister to make at least an attempt to provide more work at the general headquarters of the railway in the city of Moncton. I understand the Intercolonial railway owns a very large area of land there where the new shops were erected some years ago on the destruction of the old shops. Moncton is the terminus of the National Transcontinental as well as the headquarters of the Intercolonial railway; further, there are large number of men in that vicinity who are railway men. And I contend that, where you have the capital, the land and the facilities work should be concentrated. It would be of great advantage to the city of Moncton and to the surrounding country as well. I know myself that there are a large number of men who are experts in the car-building business, having been working in the near-by town of Amherst. My hon. friend from Cumberland (Mr. Rhodes) will bear me out in saying that there is no work for these men, and that if they could be occupied at their own calling they would be able to build cars at Moncton, I believe, as cheaply as those cars could be purchased elsewhere. I believe it is only fair to the railway that this should be done. We shall have the same expense for upkeep, and the foremen, general managers and officials of the Intercolonial railway could oversee a great deal more work than is being done at the city of Moncton now. I cannot see any reason why cars cannot be built in the city of Moncton as cheaply as they can be built elsewhere; I am sure that our working people as well as those dependent on the trade coming from working people, would appreciate the efforts of the department very much. I think it would be only right for the minister to give this matter his attention, to see if he cannot build more cars at Moncton.

Mr. RHODES: I do not wish to claim the attention of the committee at any length, but I cannot sit quietly in my place and hear the hon. member for Westmorland (Mr. Copp) figure out that, in view of the fact that industrial conditions are very quiet in the neighbouring constituency of Cumberland, and men there are out of employment, they should be given employment in the constituency of Westmorland. Rather, I take it, the argument would be that the Government should contract for the construction of cars in the town of Amherst. I note my hon. friend's admission that he does not know anything about railways. I think he is quite right; and I will admit the same with regard to myself. With us as participants, the discussion would be largely academic, and I do not feel that we should take up the time of the committee. But when we discuss the advantage of constructing cars in Westmorland, I am sure that the hon. gentleman, knowing the conditions, will admit that while a corporation or group of individuals might construct cars in Moncton as well as elsewhere the Government employees, under conditions that exist in Moncton, could not construct them as cheaply.

Mr. COPP: Why?

Mr. RHODES: The hon. gentleman need not cross-question me. But if he were frank, and had in mind the public interest rather than the interest of his own candidature, he would admit that conditions in the Government works at Moncton are such as not to call for the greatest efficiency in construction. The policy of large railway cor

porations in Canada and the United States in recent years has been to get away from the construction of rolling stock and to content themselves entirely with the repairs of such rolling stock as happens to be out of repair on their lines. They find that they can purchase cars in the open market from companies that make a specialty of manufacturing cars, more cheaply than they can manufacture them, having regard to the circumstance that the manufacture of cars by their own corporation would be, at best, only a side line and they would not be able to make a specialty of it as would a company peculiarly in the car construction business.

If the hon. gentleman wishes me to suggest some method whereby the condition of unemployment in his neighbouring constituency may be remedied at the moment, I would say that perhaps the best method to pursue would be to make a contract for the manufacture of cars in the town of Amherst.

Mr. A. A. MACLEAN: With a view to settling the dispute which seems to have arisen between two hon. gentlemen as to where these cars should be built, I would suggest to the minister that the cars be constructed in the city of Charlottetown. We have in that city one of the best equipped shops that can be found in America, and we have a large number of skilled workmen who are well adapted to the work of building cars. Furthermore, we have just as much right to have those cars constructed in Prince Edward Island as these hon. gentlemen have to have them constructed in either of their respective constituencies. These hon. gentlemen assume to have a monopoly of the whole Intercolonial railway from Sydney to Montreal. One would think that the hon. member for Westmorland and the hon. member for Cumberland control the whole thing, and that no one else should have a show; that the cars should not be built anywhere except in their constituencies. I would ask the hon. minister to take my suggestion into serious consideration.

Mr. COPP: My attention was particularly drawn to this matter when I saw in the press of Amherst a report that the town council held a special meeting not long ago to consider what they were going to do with the unemployed in Amherst, and the suggestion was made that the local Government give assistance to the town of Amherst in order to provide employment during the period of hard times. It was only as a matter of kindness that I suggested that the men be taken to Moncton and be given profitable employment so that they should not be thrown on the mercies of their town or province. It is not a matter between myself and the hon. member for Cumberland (Mr. Rhodes). I do not say that the problem could be solved at once, but I do think that the Government should make the experiment. The cars can be built at Moncton as cheaply as they can be built anywhere; the head offices are there; the railway men are there; it is a railway centre. Large numbers of our good men have been employed in the town of Amherst in the building of cars, and they are special artists in that line. I should be glad indeed if they were taken to the city of Moncton and allowed to pursue their vocation there, and to earn a living for themselves and for their families. I believe that this would be an advantage to the Intercolonial railway as well, and I hope that the matter will be taken seriously into consideration by the minister.

Mr. SINCLAIR: I have here an envelope that was sent to me by a gentleman who is interested in the made-in-Canada propaganda. This is an envelope which is used by the Intercolonial railway. Endorsed on the back are the words, "Canadian Government Railways, Moncton, N.B." I find on looking inside the envelope a private mark indicating that the envelope is manufactured in the city of Chicago by the Transo Paper Company, and that it was patented August 9, 1904.

Mr. COCHRANE: Is this kind of envelope manufactured in Canada?

Mr. SINCLAIR: I want to get information on that point.

Mr. COCHRANE: I understand that it is not.

Mr. SINCLAIR: The minister will know whether it is made in Canada or not. It has the Chicago stamp on it in two different places.

Mr. COCHRANE: I ask the hon. gentleman if an envelope like that is made in Canada.

Mr. SINCLAIR: I cannot tell the minister that, but I do not think the envelope makers of Canada should have any trouble in making an envelope like this. It is a very simple envelope and could be made, I presume, anywhere. I am quite sure that

finer envelopes than this are made in Canada. I merely wanted to inquire whether it is really the fact that the Minister of Railways, whose party professes to be very much interested in this made-in-Canada propaganda, is buying his envelopes in the United States. It is known that the minister imports from the United State a great many of the men he employs on the road, but he may consider that to be necessary. I do not believe, however, that it is necessary to import the envelopes.

Mr. RHODES: If my hon. friend is a free trader, has he any objection to the purchasing of envelopes in the United States? In case he was not here the other evening, I may say that the hon. member for Red Deer (Mr. Michael Clark) said that the propaganda of encouraging the purchasing of things made in Canada was stupid. I think the hon. gentleman should be the last person in the world to object to the Government purchasing envelopes in the United States.

Mr. SINCLAIR: I am not objecting to what the Government is doing; but I want to point out that a government which professes to support the made-in-Canada propaganda should not purchase envelopes manufactured in the United States.

Mr. COCHRANE: Similar envelopes are not made in Canada; I do not know why. When they are, I will buy them in Canada.

Mr. MARCIL: Is the rolling stock made in Canada?

Mr. COCHRANE: Yes.

Intercolonial railway—safety appliances for equipment, $24,000.

Mr. MARCIL: I urged upon the minister last year the advisability of looking into the question of constructing a subway at Matapedia, where the trains shunt close to the station. I am told that the crossing there is very dangerous. I suggested to the minister last year that it might be to the advantage of the railway and of the public to construct a subway. Has the matter been looked into at all?

Mr. COCHRANE: I admit that this is a dangerous crossing, and must be attended to as soon as possible.

Mr. MARCIL: Has the construction of a subway been favourably reported upon?

Mr. COCHRANE: Yes; the railway officials recognize that it is a dangerous crossing and must be attended to.

Mr. GERMAN: What are these safety appliances?

Mr. COCHRANE: It is new equipment similar to that which the Interstate Commerce Commission has ordered on all freight cars in the United States. The Canadian Railway Commission has ordered their use on other Canadian roads, and the Government road is following that up. I cannot just at the moment give the technical description of these safety appliances.

Intercolonial railway—Mont Joli—(formerly Ste. Flavie)—to increase accommodation, $16,500.

Mr. MARCIL: What is that for?

Mr. COCHRANE: The amount asked for is for straightening the main line, and providing proper switching leads to facilitate switching, constructing additional platform accommodation at station, providing siding for loading potatoes, and removing track scale from present location (which is the centre of a busy yard) to track at west end, which will reduce largely the amount of switching now necessary in using scales.

Mr. MARCIL: The hon. member for Rimouski (Mr. Boulay) complained that labourers around Ste. Flavie received ten cents a day less than those in New Brunswick.

Mr. COCHRANE: I will make a note and inquire.

Intercolonial railway—St. John—spur line to Courtenay bay, $112,000.

Mr. PUGSLEY: Has any work been done upon this spur line? Appropriations have been made more than once in the past. Why has the delay occurred?

Mr. COCHRANE: The delay has occurred owing to the war. We filed expropriation papers before the war broke out, and this is to pay for the land; we think the people should get the money for their land.

Mr. PUGSLEY: When Parliament was asked to consent to increased taxes, these improvements and the necessity for them generally were given as one of the reasons why these increased taxes should be imposed. It was alleged that it was intended to go on with all these public works. Now my hon. friend says that the matter has been delayed. Does he intend to proceed this year with this work?

Mr. COCHRANE: This is to pay for the right of way. We are not doing any other work in connection with it.

Mr. PUGSLEY: Has the minister a statement of the prices? It strikes me as being a very large amount to pay for the right of way, from my knowelge of the district.

Mr. COCHRANE: Land seems to very high in St. John. The estimated value of land damages is shown and also the expenses in connection with the transfer.

Mr. PUGSLEY: The spur is a very necessary work.

Mr. COCHRANE: The works at Courtenay bay are not in such shape as to be used to ang great extent.

Mr. PUGSLEY: The present approach to Courtenay bay by rail is very dangerous, The line goes right through a settled part of the city, and this new spur is necessary irrespective of the Courtenay Bay work. Would the minister lay a statement of the damages to be paid to the different owners and the names of the valuators on the table?

Mr. COCHRANE: I would not object to laying a statement of what they ask, but not a statement of what we think they are worth.

Mr. PUGSLEY: That is what I want.

Mr. COCHRANE: Oh, no. I may have to go to the Exchequer court for this.

Intercolonial railway—Sydney mines diversion, $10,000.

Mr. McKENZIE: What is that for?

Mr. COCHRANE: This is for the completion to pay right of way claims, general cleaning up of the line, improving the foundation of a culvert at Florence, and survey and preparation of plans.

Mr. McKENZIE: Has the minister's attention been brought to the desirability of making an overhead crossing at Florence? It was at first intended to make an overhead crossing there. There is a very heavy traffic right through the town.

Mr. COCHRANE: How high would the cutting be?

Mr. McKENZIE: When the road was constructed the engineer told me that the only safe way was to put an overhead crossing there, but I have heard nothing of it since.

Mr. COCHRANE: I will make a note of it.

Mr. McKENZIE: The level of the track is probably six feet below the level of the road, and there must always be a dangerous crossing. It was also thought that an overhead crossing would be put at the head of the bridge at Little Bras d'Or. I understand an engine and a train crew are kept at North Sydney for use in connection with shunting and traffic between Sydney Mines and North Sydney. I think that as a matter of business that engine with a few cars could run a trip from Little Bras d'Or to North Sydney on Saturday nights. It could leave Little Bras d'Or about five in the evening, and run through Florence and Sydney Mines to North Sydney. Coming back it could leave about ten in the evening. It is only a distance of five or six miles. This accommodation is given every other night in the week by regular trains. The express comes in about seven o'clock and carries the people into these towns, and the other train leaving about 9.30 or 10 gives the accommodation coming back. But on Saturday night, when people most want to get into town, there is no service at all. I think this little train could be run without very much extra expense because the locomotive and crew are there, and no doubt a few spare cars. If they would make this little trip, leaving Little Bras d'Or about five in the evening and going back between nine or ten very excellent accommodation would be afforded the towns, and I think it would be a paying venture for the railway.

Mr. COCHRANE: It would be a run of 28 miles altogether.

Mr. McKENZIE: Not more than 12 miles; it would be 6 each way.

Mr. COCHRANE: But they would have to make the round trip twice, which would make it 24 miles. We should have to pay the men a day's wages, I think.

Mr. McKENZIE: I think the men work till eleven o'clock every night anyway. They have to stay on.

Mr. COCHRANE: I will make a note and look into it.

Intercolonial railway—to increase accommodation and facilities along the line, $102,000.

Mr. GRAHAM: What is this for?

Mr. COCHRANE: This is to meet deferred payments, and to complete work already undertaken. It covers Chaudière Junction, Fredericton, Bathurst, Amherst, Campbellton, Millerton, Rimouski, Matapedia, and right on down to Orangedale.

Mr. MARCIL: Is the work at Matapedia in connection with the freight shed?

Mr. COCHRANE: Yes, extending the freight shed facilities

Intercolonial — Trenton — increased facilities at, $20,000.

Mr. SINCLAIR: What is that for?

Mr. COCHRANE: The station is in a dilapidated condition beyond repair. It is also too small to handle the business.

Mr. SINCLAIR: It is proposed to build a new station?

Mr. COCHRANE: Yes.

Intercolonial railway—water supply—to increase, $27,300.

Mr. MARCIL: Have arrangements been completed at Matapedia for a water supply to some of the citizens?

Mr. COCHRANE: I think an agreement has been entered into.

Mr. MARCIL: The last information I had was that the lease had not been completed.

Mr. COCHRANE: I think it is signed, though I am not positive. The Order in Council has been passed authorizing it.

Mr. MARCIL: On a former occasion I asked that a certain quantity of hose be kept at Matapedia station, and
10 p.m. I think a promise was made to that effect. I am informed there is no hose there now, and that would make it very bad in case of fire, for the buildings of the Intercolonial railway and the village are all huddled together. They have had about three fires already. I think it would be wise to have a good long piece of hose there.

Mr. COCHRANE: I will make inquiry.

Mr. PUGSLEY: What is the policy of the minister in regard to a water supply? Is it the policy to utilize public stations wherever possible, or the gravitation system where that is possible?

Mr. COCHRANE: Whichever is cheapest. If we can get a system of gravitation at a reasonable cost, we will take it every time, but where we cannot we use the pumping stations.

Intercolonial railway—towards the construction of a railway from a point on the Intercolonial railway at or near Dartmouth, in the county of Halifax, via Musquodoboit Harbour and the valley of the Musquodoboit to Dean's settlement in the said county, $510,000.

Mr. SINCLAIR: What progress is being made on that?

[Mr. Cochrane.]

Mr. COCHRANE: It is graded pretty nearly up to Dean's Settlement, and the track has been laid for nearly three-quarters of the distance. They have the bridges to do yet. Steel bridges are being manufactured. The substructure is completed already, I think, and we hope to get all the bridges finished this year.

Mr. SINCLAIR: Will this vote complete the line?

Mr. COCHRANE: We expect so.

Mr. SINCLAIR: In connection with this question of branch lines, I wish to make an inquiry about the proposed Guysborough branch. I have here a memorandum which was attached to the plan the minister placed on the table the other day, in connection with that proposed branch. I want to read it, and then ask the minister a question about it:

Re Guysborough Subdivision—Intercolonial Railway.

The proposed railway extends from Sunnybrae to Mulgrave by way of Guysborough. Preliminary surveys have been made which indicate that the railway can be built on a maximum grade of five-tenths per cent westbound.

The details of the surveyed routes is from Sunnybrae to Lake Eden, thence down the East river St. Mary to post near Country Harbour Cross Roads, then east along the Valley of the Salmon river to Guysborough harbour, along the shores of Chedabucto bay and Straits of Canso to Mulgrave.

The line is about 88 miles in length. The distance from Truro to Mulgrave by way of Guysborough is 137 miles. The distance from Truro to Mulgrave via the present line is 122.3. The distance from Sunnybrae to Guysborough is 65 miles.

The object of the proposed railway is first to give transportation facilities to the central portion of Guysborough county and the port of Guysborough, and second to construct that railway with such grades as to make it the economical route for heavy traffic to and from Cape Breton over which it will be possible to haul practically double the amount of tonnage that can be hauled by the same power over the present line, which provides a great economy in operating expenses although the distance is increased about 15 miles

Ottawa, March 25, 1915.

The Country Harbour branch was a part of the route as originally projected, and I want to ask the minister if he includes it in the present proposal. It is not in the mileage given.

Mr. COCHRANE: Ultimately, yes, because the plan shows both places.

Mr. SINCLAIR: Is it on the plan?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: But you are not proposing to build it now ?

Mr. COCHRANE: Not until later on. I think the other road is the more important. The million dollars that I told my hon. friend would be included in the Supplementary Estimates will not be expended on that portion of the road at this time.

Mr. SINCLAIR: When does the minister propose to build the Country Harbour branch ?

Mr. COCHRANE: As soon as we can. I brought the map to show the hon. gentleman the whole scheme that is proposed.

Mr. SINCLAIR: It will be a great disappointment to the people on that part of the coast of Nova Scotia when they learn that the Country Harbour branch is dropped out of the proposal.

Mr. COCHRANE: It is not dropped out of the proposal. I brought the map and the hon. gentleman can see that the road goes to both places, but I do not want to mislead him by saying that we are going to start on the branch to Country Harbour this year.

Mr. SINCLAIR: I quite understand that. The point I made is that while it is on the map it is not included in the minister's present proposal.

Mr. COCHRANE: It certainly is a part of the proposal. The scheme as laid out includes branches from Sunnybrae to Country Harbour and to Guysborough.

Mr. SINCLAIR: I understand there is a line marked out on the plan to Country Harbour, but there is also a line marked out to Canso, 30 miles from Guysborough, on the same plan. These lines are found there, but that does not indicate that they are to be built, and I do not think the minister himself would say that the line to Canso, at all events, comes within his present proposal. I assure my hon. friend that a picture of a line on the plan will satisfiy nobody. We must have the line itself.

Mr. COCHRANE: The proposal is the whole scheme as laid out on the map.

Mr. SINCLAIR: Country Harbour is the centre of a long range of coast, it is the best port on the Atlantic coast or in Nova Scotia, and I would regard it as a great mistake if the minister did not include it in the original proposal. The sea can be reached at Country Harbour at a much shorter distance from Sunnybrae than it can be at Guysborough.

Mr. COCHRANE: Then you would rather have it go to Country Harbour than to Guysborough ?

Mr. SINCLAIR: Not at all; I do not care to accept anything less than the old proposal made originally by the late Government, which included a branch to Guysborough and also one to Country Harbour. I do not think that anything else than that will be satisfactory, and I submit that if the minister will look into the possibilities of the traffic along that coast he will agree with me. I wish to say most emphatically that Country Harbour should be included in his proposal. That is all I have to say, and it is something I ought to say, because this is a matter of very great importance in my constituency. The disappointment will be very great in that part of the country when the minister's attitude is known.

Mr. COCHRANE: Is Country Harbour developed in any way?

Mr. SINCLAIR: There are very slight facilities. There is a public wharf and some shipping, but nothing further. We want the railway to develop it.

Mr. COCHRANE: If the road were built without facilities it would not be of much use?

Mr. SINCLAIR: If it were reached by a railway there is no doubt in my mind that the trade would grow very rapidly.

Mr. COCHRANE: I know that. I am not joking about the matter; I am in earnest about it. The railway would not be of much use to Country Harbour until the harbour was developed ?

Mr. SINCLAIR: The railway, if built, would involve a wharf at the end of it, where ships could load and unload, and that would be all the development that we would expect at the present time. That, I suppose, would be a part of the minister's proposals. It would be useless to build the railway down to the shore without having a wharf at which to load the goods which would arrive there for shipment.

Mr. McKENZIE: The diversion at North Sydney and Sydney Mines improves the condition of the road there immensely and enables you, in the operation of the road, to get clear of two heavy grades. Is it in contemplation to better the grades at other points between Sydney and the straits?

There is a very heavy grade near River Denys.

Mr. COCHRANE: There are a lot of them.

Mr. McKENZIE: That is about the worst. The old saying is that the strength of the chain is equal to that if its weakest link. There is not much use of improving the grades around Sydney unless you are able to overcome these other grades. I think some surveys were made about the Grand Narrows and at River Denys. I would like to know if there is any immediate prospect of having these grades removed so as to provide the road with as nearly uniform grades as possible.

Mr. COCHRANE: There has been a survey made and it seems to show that the improvement could be made at a less cost than by reducing the grades on the present road. Unfortunately, if we built another line we would have to run both the old and the new lines, because there is quite a settlement along the present line which would need the service, and we would have to give it. We have come to the conclusion, I think, that we will cut down some of the grades and renew the bridges so that we may be able to put on heavier rolling stock and heavier power for the present, anyway. To reduce the grades down to .06, with compensation, would cost about $58,000 a mile. It would cost in the neighbourhood of something like $45,000 a mile to go out by way of St. Peter's. The operation would cost just about double, as my hon. friend knows. The situation is such that we think the best plan now is to cut down the worst grades, increase the bridges and to put on heavier power.

Mr. A. W. CHISHOLM: I would like to ask the minister if he has considered the report of Engineer Clark, whom he sent down to Inverness county last summer, with regard to the projected line of railway in Inverness county?

Mr. COCHRANE: I have not given very much attention to it.

Mr. CHISHOLM: I have just read over a part of the report, which the hon. minister handed to me a moment ago, which indicates that this proposed line will cost very much more than was estimated by the minister's representative Mr. Tessier who went down there three years ago. I am disappointed, to say the least. The report ends up by holding out very little encouragement for the construction of this piece of road. It will be sad and discouraging news for the people of Inverness when they hear that the Government have practically abandoned the idea of constructing this road.

Mr. COCHRANE: I do not say that.

Mr. CHISHOLM: I think the report would indicate that very clearly. Perhaps I may be too pessimistic, but I have very good reason to be so. Since I have had the honour of a seat in this House I have kept this matter before the Government—the late Government and the present one. I had hoped that when the facts of this proposition were properly submitted to the Government they would undertake the construction of this road from a business standpoint if for no other reason. I succeeded so well with the late Government that I got their assurance that they would undertake the construction of the line in the summer of 1912, not as a favour but as a practical business proposition. After the defeat of the Liberal Government the people of Inverness county sent a delegation to wait upon the Minister of Railways, and I had the honour of associating myself with these gentlemen when they met the minister, and they were received very courteously by him. They laid the facts before him, not in as full detail as I would like, but they did as well as time permitted. I suggested to the minister that he should send one of his own engineers there to look over the line. The hon. minister remembers this. The minister was kind enough to grant my request and he sent Mr. Tessier, who, I understand, is an engineer of very great experience in railway work. Mr. Tessier spent some time in the county of Inverness and gathered a very considerable number of facts, and the only fault I have to find with his report is that there were a great many items of possible traffic along that route which he failed to enumerate, the reason being that he did not stay long enough there to go into all the details. The reason I refer to his report at all is, that as to the cost of construction he was quite definite, and made an extended investigation and study of the whole route, and be assured the minister that the road would cost in the vicinity of $23,000 a mile only. I asked the minister last year his opinion about this report, and his reply was that in his judgment the report was too rosy. We heard nothing more about this until last summer, I saw a gentleman going through the county of Inverness. He called at the town of Inverness and took with him a gentleman, Mr. H. A. McEachen, barrister, there

and they drove to Cheticamp and came back the next day, and no doubt they enjoyed the very pleasant drive along the coast. As to how they could gather much information with respect to the road, I could never find out. They called at my own town, Margaree, on returning, and one would think that the Government would expect its officers to pay the representative of the people of that county the courtesy of calling on him to discuss the question with him, but that was not done. I thought it possible this gentleman might call on me, but instead of that he called together a number of the political friends of the Minister of Railways and they discussed railway matters. Then these gentlemen went through the country and announced that this Mr. Clark had assured them that the Government was going to undertake the construction of this road. Mr. Clark and Mr. McEachen went on to Orangedale and I heard nothing more about them. I find that this gentleman in his report to the minister enters into a long statement as to the probable cost of the construction of this road, and as I expect he added several thousand dollars more to the total cost of the line than at first estimated by Mr. Tessier. No doubt for the purpose of destroying the rosiness of this gentleman's report. That of course, in itself, if true, is calculated to justify the minister in not undertaking the construction of this road. This second engineer, Mr. Clark, who spent about a week there, was apparently able to furnish the minister with an itemized statement as to the cost of construction, which would indicate that the road would cost about $14,000 more than Mr. Tessier reported it would cost, although Mr. Tessier spent four months there gathering information upon which to base his report. It is a marvel to me how this second man could have gathered all this information on this joyride he had in the county of Inverness—because, to my mind, it was nothing more or less than a joyride.

Mr. COCHRANE: You know what a joyride is, I do not.

Mr. CHISHOLM: I do not know very much about it either, but I have heard something about it. I have spent some fifteen or twenty years in the practice of my profession in a country district, and I have never felt very much joy in driving, but evidently this engineer did because he felt very comfortable driving along the country road in the cool of the evening in order no doubt to avoid heat of the midday sun; of course he was a gentleman. It will be bad news to the people of Inverness if the minister does not now promise that this road will be built. From all the information in the possession of the minister, he must be convinced that this is a practical business proposition which there is ample merit to justify him undertaking, even if for no other purpose than to furnish additional earnings to the Intercolonial railway. I made the statement in this House two years ago that none of the lines discussed by hon. gentlemen here had half as much merit as this line in Inverness county. I have already enumerated the various sources of traffic, and I will not detain the House to repeat them now, but the minister has, without doubt, sufficient information in his possession, to cause him to see that this is a most meritorious piece of railway, so far as earning power is concerned. I can tell the minister that all the wealth of that rich county must remain dormant until this road is constructed. We have gold, iron, coal, copper, silver barytes and several other minerals, all of first-class quality and almost inexhaustable quantity; we have a first-class fishing industry which would in the fishing season furnish this road with regular and very considerable quantities of freight; and as fine a farming country as can be seen in any part of Canada, and a wealth of forest which as yet practically has not been touched; but all must remain unexploited until railway transportation facilities are afforded. We can never expect to get our natural ressources developed in any other way than by railway construction, because along the coast of Inverness from Port Hood north, it is most difficult to create adequate harbours for shipping. I hope the minister will revise his opinion that nothing can be done at present because that is a most indefinite assurance to these suffering people. We have had many surveys and many estimates as to the cost of this road, and the minister has even sent his accredited representative there, to furnish him with a report, and an honest report it is, I have no doubt. There is another report from the engineer who went down last year on this famous trip I have referred to, which is based on information gathered in a few days, which I noted clapped on $14,000 a mile in addition to the estimate of the former engineer's estimate, and now it is time to get down to business. I trust that the Minister of Railways will change his mind and go on with this work,

and thus confer a lasting benefit on my constituency and on the Government railway system. Last year, I had faith in the hon. minister. I have not lost that faith altogether, it has been almost wrecked by the language of this report of Mr. Clark's and of the minister who will not say that the road will be built.

Mr. MARCIL: Before we leave the Intercolonial Estimates, would the minister please tell me: does he expect to be able to put on the Ocean Limited again this spring?

Mr. COCHRANE: I expect so. But I hope the trade will increase first. I was talking it over with the manager last week, and he thought about the 1st or 2nd of May he might start it again.

Railways—chargeable to capital account—Prince Edward Island railway, $1,938,925.

Mr. GRAHAM: The chief item here is the car ferry. "To provide a car ferry, construct terminals and necessary connections, $1,900,000." I think the other items might go through. Would the minister explain when he is going to have that ferry running and all about it?

Mr. COCHRANE: The hon. member was not present when I said I thought it would be running by September or October. The pier will not be completed, but we hope it will be in such shape that we can use the boats and start the ferry.

Mr. J. J. HUGHES: Will the boat be finished?

Mr. COCHRANE: Yes.

Mr. HUGHES: Where?

Mr. COCHRANE: On the other side of the Atlantic. The company that is building her will deliver her either at Prince Edward Island or New Brunswick, whichever is the best harbour.

Mr. HUGHES: Will the pier at Cape Traverse be finished?

Mr. COCHRANE: No, but it will be in shape so that we can use it.

Mr. HUGHES: In case that should not be done, can the boat carry freight under deck?

Mr. COCHRANE: I cannot tell the hon. gentleman how much space there will be below.

Mr. HUGHES: Otherwise, I presume she would not be of use except as a car ferry.

[Mr. A. W. Chisholm.]

Mr. COCHRANE: I wont "presume" about it. But I can find out.

Mr. HUGHES: If she were constructed with good space below decks, she could be made use of even if the piers are not ready.

Mr. COCHRANE: We will try to have the piers ready.

Mr. HUGHES: Is the hon. gentleman acquiring the land for the terminals at Cape Travers?

Mr. COCHRANE: That is not settled. I am afraid we will have to go to the Exchequer Court with some; with some we are getting a settlement.

Mr. HUGHES: I understand a couple of parties have been speculating in land. Does the minister know anything about that?

Mr. COCHRANE: No. Could the hon. gentleman tell me who they are?

Mr. HUGHES: One, I understand, is station agent at Cape Traverse, and the other the engineer in charge of the works.

Mr. COCHRANE: The station agent, I understand, has had his land for some fifteen years. That was rather a bad speculation.

Mr. HUGHES: My information—I do not know whether it is correct or not—is that he has bought more land with a view to getting a large price from the Government.

Mr. COCHRANE: He can't succeed in working me for a big price, the land is not worth it.

Mr. HUGHES: I understood that the matter was brought to the attention of the minister by the two men disagreeing among themselves.

Mr. COCHRANE: Oh, I don't know.

Mr. HUGHES: Has any information been given to the minister?

Mr. COCHRANE: There has been some gossip.

Mr. HUGHES: By these two men? Each accused the other of doing what was wrong?

Mr. COCHRANE: I am not prepared to say who was wrong.

Mr. HUGHES: Did each accuse the other of doing wrong?

Mr. COCHRANE: I suppose.

Mr. HUGHES: I am asking the minister if that is true.

Mr. COCHRANE: I think that is right.

Mr. HUGHES: And they are both officials of the Government.

Mr. COCHRANE: Well, one is station agent of the Intercolonial there, I don't know how much he gets out of it.

Mr. HUGHES: And the other is the engineer in charge of the works?

Mr. COCHRANE: No.

Mr. HUGHES: He was?

Mr. COCHRANE: No.

Mr. HUGHES: Then, what office did he hold?

Mr. COCHRANE: He may have been assistant engineer.

Mr. HUGHES: That is about the same.

Mr. COCHRANE: No.

Mr. HUGHES: He was an employee of the Government at that time?

Mr. COCHRANE: Yes.

Mr. HUGHES: Does the minister think it proper for employees of the Government—

Mr. COCHRANE: No, sir, I do not think it is proper.

Mr. HUGHES: What action does the minister intend to take in regard to it?

Mr. COCHRANE: If he owns the property, pay him what it is worth and nothing more. But he is warned already that if he is caught again—

Mr. HUGHES: The station agent?

Mr. COCHRANE: We have done nothing with him. I am afraid this is going to the Exchequer Court.

Mr. HUGHES: He was one of the men speculating in the land?

Mr. COCHRANE: He may have bought some land since. I am not sure. My hon. friend says he has, but I am told on good authority that he bought most of the land he is holding, and I understood bought all of it, about ten or fifteen years ago.

Mr. HUGHES: Has the department constructed lately, or is it constructing, new cars for the Prince Edward Island railway?

Mr. COCHRANE: Unless we change some of the light cars on the main line of the Intercolonial, we have not. They may have changed some of these. There are some twenty-ton cars on the main line that are not of much use now, being too small.

Mr. HUGHES: Are you having new cars built?

Mr. COCHRANE: Not that I know of.

Mr. HUGHES: Where is the work being done?

Mr. COCHRANE: Any work being done to change the light cars will be done at Moncton.

Mr. HUGHES: Change them into larger cars?

Mr. COCHRANE: No. They are too small for use on the main line of the Intercolonial, and we might change them so as to run on the Prince Edward Island line.

Mr. MARCIL: Is the Prince Edward Island line a narrow gauge road?

Mr. COCHRANE: It is up to the present.

Mr. MARCIL: No work started about altering the gauge.

Mr. COCHRANE: Not yet.

Mr. J. J. HUGHES: We have jumped over a number of items and we might as well discuss them all at once.

Mr. COCHRANE: All right.

Mr. HUGHES: There is an item here of "Surveys and inspections, $10,400."

Mr. COCHRANE: That is put in every year; I do not know how much of it we shall spend.

Mr. HUGHES: I understood the minister had had two applications, one for a survey of a branch line connecting Bridgetown with the main line either at Cardigan, St. Peters or Souris. Can the minister say if he has any intention of holding a survey there during the coming summer?

Mr. COCHRANE: We might. We have a number of places to survey this year. But, as we cannot get finances to build these lines, I do not want to spend money until there is an opportunity to put the work through.

Mr. HUGHES: The minister told me in the session of 1912-13, that in the coming summer he intended to have a report made on this proposed piece of railway.

Mr. COCHRANE: And he has not had it done yet.

Mr. HUGHES: He has not had it done yet; and unless he can give me something definite, I am afraid I must conclude that he did not mean much.

Mr. COCHRANE: Don't do that.

Mr. HUGHES: Can the minister say anything more definite than he has said in regard to this matter, or will it be like the promise he made in 1912-13?

Mr. COCHRANE: I do not often make promises.

Mr. HUGHES: Quite so, and when the hon. minister made that promise in 1912-13 I had great confidence in the belief that he would carry it out.

Mr. COCHRANE: I will inquire into the matter and write my hon. friend.

Mr. HUGHES: There is a branch line also between Montague and Cardigan. When that was built it was intended to extend it to connect with the main line to Murray harbour. That has not been done.

Mr. COCHRANE: How many more miles would be required?

Mr. HUGHES: Seven or eight.

Mr. COCHRANE: I will make a note of it.

New Brunswick and Prince Edward Island—to bring line up to Intercolonial branch line standard, $25,000.

Mr. GRAHAM: Is that the line down to the ferry?

Mr. COCHRANE: Yes.

Mr. COPP: What does the minister propose to do with this $25,000?

Mr. COCHRANE: Strengthen the bridge and culverts; provide and place ballast; replace steel rails where necessary; make surveys.

Mr. COPP: Is it intended to build any new bridges? There are two important bridges on this line.

Mr. COCHRANE: No, I do not think so. There is only $5,000 for bridges.

Mr. COPP: When this railway was operated by the company, a small station was used about a quarter of a mile from the main Sackville station. This little station, which was called Woods crossing, has been practically abandoned since the road was taken over by the Intercolonial railway. It is now only a siding, and when the train stops there the locomotive and part of the train is directly across the street. To correct this would be only a matter of moving this small station—which is very small, not more than 20 by 30 feet—a short distance, so that when the train stops the engine or cars will not be across the street.

Mr. COCHRANE: Would it be necessary to buy any more land.

Mr. COPP: No. The point is that this is the main street of Sackville. The train usually leaves at one o'clock, about the time when people are going to and from dinner, and when a large number of school children are crossing at this point. I myself had the experience one day of seeing children crawl under the cars. I drew the attention of the Board of Trade to the matter, and they sent a petition to the Intercolonial management. I hope that he will take the matter up and have it remedied.

Mr. COCHRANE: I am making a note of it.

Intercolonial railway—working expenses, $14,060,000.

Mr. GRAHAM: I see that the minister intends to keep separate from the Intercolonial railway the working expenses of the International railway and the New Brunswick and Prince Edward Island railway, the two lines in respect of which authority has been asked to purchase or lease.

Mr. COCHRANE: Next year the expenses of these lines will go in with the working expenses of the whole system. We would like to keep the expenses separate at first just to see how it works out. That may not be an easy task, either.

Mr. GRAHAM: I think the minister is right in endeavouring to do this, either for his own information or for the benefit of the public, but on account of the through freight it will not be an easy thing to do. The rates now paid on these lines are absolutely local.

Mr. COCHRANE: We have kept them so.

Mr. GRAHAM: When it comes to be part of the Intercolonial the rates will have to be merged into a thorough rate, and evidently these branch lines, if traffic does not increase, will not be as remunerative as they are now. Of course, it is hoped that a greater traffic will develop. The rate per ton per mile will not be as great when the road becomes part of the Intercolonial as at

present. On the other hand, the people shipping goods will get the benefit of lower rates. I suppose the minister is not in a position to tell how the International or New Brunswick has paid.

Mr. COCHRANE: The International pays working expenses, and we have not yet changed the rates. After this legislation passes we will have to give through rates and therefore lower rates. I hope that, as the hon. member for St. John said last evening, as this is a fertile country and there is a good lot of timber to ship out, the line will pay even after cutting the freight and passenger rates.

Prince Edward Island railway—chargeable to capital, $1,938,925.

Mr. J. J. HUGHES: There is a great deal of dissatisfaction because the rates of freight change so frequently; there are several changes in the course of a year.

Mr. COCHRANE: What are they?

Mr. HUGHES: I do not know, and a great many of the station agents do not know.

Mr. COCHRANE: Are they fit to be station agents?

Mr. HUGHES: I do not know whether they are or not. The minister ought to be the best judge of that.

Mr. COCHRANE: I do not come in contact with them as you do.

Mr. HUGHES: In the olden times when Mr. Pottinger was general manager of the railway, the rule was that there was a winter rate and a summer rate for freight and passengers. Now there are several changes during the summer season.

Mr. COCHRANE: We have reduced the rates instead of increasing them.

Mr. HUGHES: I mean the changes.

Mr. COCHRANE: We have reduced instead of increasing the rates on Prince Edward Island.

Mr. HUGHES. That is news to me, indeed.

Mr. COCHRANE: I will tell him how we did it: We absorbed the ferry charges.

Mr. HUGHES: The ferry is not in operation.

Mr. COCHRANE: There is a ferry in operation; there always is.

Mr. HUGHES: The local freight rates are very much higher than they used to be.

Mr. COCHRANE: I do not think so.

Mr. HUGHES: I am sure of it, because I have had to pay them. I have already complained that you do not know in advance what you are going to be charged when you ship goods, because the station agent may have a new rate, different from what he had a week or two before; and where the stations are small and the station masters are not in touch with the changes, they charge enough to be sure to be on the right side.

Mr. BRODER: Have they no collated rates?

Mr. HUGHES: I am informed that there are so many changes that a new circular will come out and they will be referred to section b or section c of paragraph 7 in circular No. 22 for instance, and they can hardly keep track of all these changes. I wanted to point this out to the minister. I know he is favourably impressed with his new officials, but the country is not.

Mr. COCHRANE: Time will tell that.

Mr. HUGHES: It has not told so far. There appears to be a great deal more bookkeeping than there used to be, and very much less work or at least not much more work.

Mr. COCHRANE: Our officials are not working hard enough?

Mr. HUGHES: There is too much system, too much red tape. When the management was under Mr. Pottinger it was very much simpler and I think about as well done. I know that much better satisfaction was given to the public.

Mr. BRODER: Could a man get through without paying freight at all in those days when there was no system?

Mr. HUGHES: No, I do not think so. I think the system was all right, because it was simple and effective. Now it is almost impossible to get anything over to Prince Edward Island without having it broken, arriving in bad order.

Mr. COCHRANE: I certainly will take that up and go after the officials on the information given me by my hon. friend.

Mr. HUGHES: When you make a claim it is very difficult to have it looked into or adjusted. The difficulties are so great

that if the amount is small the person would rather abandon it than have the trouble. I do not think that is right.

Mr. COCHRANE: You do not give us any instances by which we can check it up.

Mr. HUGHES: The claims made are pretty numerous.

Mr. COCHRANE: If you have any claims that have not been looked after, I shall be glad to have a memorandum of them and will go into them myself and see that they are adjusted.

Mr. HUGHES: I will certainly tabulate them in future and get the dates and present them to the minister, because the railway gives a receipt for goods received in good order, and with the number of officials now on the road they ought to be able to keep track of the goods and find out where the injury took place. The general impression is that the officials are careless—

Mr. COCHRANE: And too numerous.

Mr. HUGHES: —and goods are injured that might not be injured if the officials themselves had to pay for the injuries and if the injuries could be brought home to them.

Mr. COCHRANE: It is the ordinary men who are handling the goods.

Mr. HUGHES: Ordinary men, of course, but if the ordinary men are allowed to handle goods roughly and carelessly they will perhaps not be as careful as if they were held accountable—

Mr. COCHRANE: I think they are.

Mr. HUGHES: —for the damage that they do.

Mr. COPP: In reference to damage to freight in transit, when a claim is put in it is naturally put in at the receiving station. I would draw the minister's attention to the case of Milton Kinnear, whose furniture was destroyed coming from Massachusetts. It came in by St. John and went over this very branch line that my hon. friend has taken over. I have had the claim in my office three years, and have not yet had it adjusted.

Mr. COCHRANE: Does my hon. friend think this was done on the Intercolonial or on the American roads?

Mr. COPP: We do not know.

[Mr. J. J. Hughes.]

Mr. COCHRANE: That is a different proposition.

Mr. COPP: We want it looked into. All we know is that it was in good condition when we handed it over and it was in bad condition when it arrived. We cannot get information where it was destroyed or damaged.

Mr. COCHRANE: A carload or what?

Mr. COPP: No, I do not think it would be a carload; only a part of a car. If my hon. friend will take up the case I shall be very glad to hand him over my commission for the collection.

Mr. COCHRANE: Furniture in less than carload lots is shipped at the owner's risk on all railroads.

Mr. COPP: This was not shipped at the owner's risk, for they admit liability; but the trouble is to locate where the liability rests.

Mr. COCHRANE: I will see what can be done.

Mr. MARCIL: Since the dismissal of Mr. J. B. T. Caron, the solicitor of the Intercolonial railway at Moncton, who conducts the road's legal business in the province of Quebec?

Mr. COCHRANE: Mr. Mathieu Papineau. He was not dismissed. His commission was dissolved.

Mr. MARCIL: Mr. Caron was required to reside at Moncton. Does not the same rule apply to Mr. Papineau?

Mr. COCHRANE: No.

Mr. MARCIL: He looks after the Quebec business in Montreal?

Mr. COCHRANE: Yes.

Mr. MARCIL: What is his salary?

Mr. COCHRANE: He has no fixed salary; he is paid by fees.

Mr. MARCIL: He gets a fee for each case he takes up? He has then an interest in getting a number of cases?

Mr. COPP: It has been my experience that the officials of the Intercolonial railway feel it their duty to turn down claims instead of really considering them and reporting to the department. I have had quite a bit of experience in this matter, and know that nine times out of ten the claims agent will report to the minister that the claim should not be allowed.

Mr. COCHRANE: Probably he is right.

Mr. COPP: He is not right. I have known the claims agent to refuse claims that were absolutely just. I have in mind one small claim that was absolutely just. I cannot understand why the agent did not allow it. The man was afraid to take an action against the Intercolonial, but I would have taken chances on it myself?

Mr. COCHRANE: How much was it for?

Mr. COPP: It was a small amount, $80 dollars I think.

Mr. COCHRANE: Then you have a right to take an action.

Mr. COPP: Yes, but the man was afraid to; and that is happening all along the line. If a man loses a cow worth $40 or $50, he will not bring an action because he does not like to fight against the Government. I do not blame the minister personally, for this has been going on for years, but I know that hundreds of claims against the Intercolonial have been turned down simply because the official 11 p.m. would not do justice as between the Intercolonial and the people. The official follows the line of least resistance and says, I will report against it. I wish the minister would take this matter up. The hon. member for Prince Edward Island is absolutely right. People will not bring action for small claims, but they should be compensated nevertheless.

Mr. GRAHAM: There is a large item about the working of the Transcontinental. I imagine that may be discussed on the Transcontinental proper.

Mr. COCHRANE: All right.

Mr. COPP: I notice that the working expenses of the International railway are $85,000, and the working expenses of the New Brunswick and Prince Edward Island railway $65,000. Is that the working expenses for the year?

Mr. COCHRANE: Yes.

Mr. COPP: I understand the International railway is 112 miles long, and the New Brunswick and Prince Edward Island railway only 36 miles. Yet there is only a difference of $20,000 in the amount.

Mr. COCHRANE: During the construction of the pier I imagine we shall have to run extra trains for stone.

Mr. COPP: Has the department anything to do with the schedule of wages on the Intercolonial, or is that under the direction of the general manager's office at Moncton?

Mr. COCHRANE: The management at Moncton has charge of that. I think they have an association.

Mr. COPP: I should like the minister to take a memorandum of what I am going to say and bring it to their attention. A very peculiar situation arises in connection with the salaries of station masters on the Intercolonial.

Mr. COCHRANE: There should be.

Mr. COPP: Unfortunately the situation is more difficult than the minister seems to realize. Take the station agents at Sackville and then take the agents at College Bridge, Memramcook, Shediac, Nappan, and then go down the line from Moncton to St. John, and you find that at the smaller stations the pay of the agents is better as a whole than it is at stations such as Sackville. It is well known that at these smaller stations the real salary of the agents is better than the salary at other places like Sackville.

Mr. COCHRANE: In dollars and cents or proportionately?

Mr. COPP: In dollars and cents. At a place like College Bridge there is a residence in the station, and the agent has his rent, coal, fuel and oil free.

Mr. COCHRANE: That is only recently. There is a new station there.

Mr. COPP: It has been like that right along. At Sackville the station agent has no residence, he has to rent his house and buy his fuel, and when he has paid for those things the amount that he receives is really smaller than the salary paid to the agents at smaller stations. When a station becomes vacant the next oldest man in the service makes application for it. The result is that experienced stationmasters do not go to the better stations; they would rather stay at the smaller stations, because they get better salaries at those places. We had an agent at Sackville and he went to a smaller station because the salary was better. As a result of the present conditions, at the more important stations we have inexperienced agents. The New Brunswick and Prince Edward Island railway, which has now been taken over by the Intercolonial, used to be operated by a private company, and then the agent at Sackville got an allowance of $30 or $40 per month, because

of this being a junction point, receiving the freight and passenger traffic over this road. As soon as the road was taken over by the Government, although the agent had to do all the work in connection with the road, this allowance was cut off, and his salary was reduced by between $300 and $400 a year. While his work was increased, his salary was reduced. As a result, he left the station, went to a smaller station, and we have a new man in that position. I would like the minister to look into this matter.

Mr. COCHRANE: All right.

Mr. GAUVREAU: At the present time there is considerable trouble along the line of the Intercolonial railway in my riding about the right of farmers to cut hay beside the line of the railway in front of their property. The department have laid down the principle that between the two semaphores the hay belongs to the agents. Outside of the semaphores to whom does the right to cut hay belong? To the farmer whose property fronts on the railway, or do the management say that the right belongs to anybody to whom they may give it?

Mr. COCHRANE: It belongs to the Intercolonial Railway and they can dispose of it as they think best. They may sell it to certain individuals, or they may give some of it to the agents. In some cases the land is leased.

Mr. GAUVREAU: The minister will not admit that a member of Parliament has any right to go to Moncton and say that they must give the privilege for two or three years to any one special person?

Mr. COCHRANE: No.

Mr. GAUVREAU: I can prove that this has been done, and I hope that the minister will see that it does not occur again. I have a report here to the effect that the hon. member for Rimouski (Mr. Boulay) was granted the privilege, hitherto enjoyed by many farmers whose properties fronted on the Intercolonial railway, and that he sent men along the railway to cut hay for themselves, thus depriving the farmers of the right to cut hay in front of their property. I want to call the minister's attention to that.

Mr. COCHRANE: I will take a note of it.

Quebec bridge, construction, $3,500,000.

Mr. GRAHAM: Could the minister tell us how this is getting on, when it is likely to be completed and how the company that got the contract is doing?

Mr. COCHRANE: The stonework is completed and a splendid job it is. It cost a little less than the estimate. I have a sketch here that shows the work if my hon. friend will look at it.

Mr. GRAHAM: How much will it cost altogether?

Mr. COCHRANE: Including the old bridge the estimate is between $30,000,000 and $35,000,000.

Mr. GRAHAM: Leaving out the old bridge, how much will the carrying out of the contract for this bridge cost?

Mr. COCHRANE: $17,000,000 for the new bridge. The contract for the steel is at the rate of so much per pound.

Mr. GRAHAM: We made a contract for the superstructure outside of the piers altogether. Will the superstructure cost $17,000,000?

Mr. COCHRANE: That includes the piers.

Mr. GRAHAM: Has the minister heard any complaint lately from the British firm that did not get the contract?

Mr. COCHRANE: No, I have not.

Mr. GRAHAM: They had no case anyway.

Welland ship canal construction, $5,500,000.

Mr. GERMAN: Would the minister state if any progress is being made towards the construction of the water main which it is proposed to lay from Lake Erie in order to supply Welland, St. Catharines, Thorold and Merritton which have been taking water from the canal?

Mr. COCHRANE: It has not been started yet but I hope to be able to get it started this summer. I discussed it with the chief engineer of the canal and he thinks we had better do it by day work. It is important to get it done properly because it is a thing that must stand forever and he thinks that better than letting a contract. We have not decided whether we will do it by day labour or by contract, but I hope it will be started this summer in order to give these places water before turning the river in.

Mr. GERMAN: I am not interested in whether it is done by day labour or contract, because if it is done under Mr.

Weller's supervision it will be done properly and economically. The question is: will it be done?

Mr. COCHRANE: It is provided for in these estimates.

Mr. GERMAN: And the work will likely be commenced this summer.

Mr. COCHRANE: I hope so.

Mr. GERMAN: Has it been absolutely decided to put the river and the canal on the same level?

Mr. COCHRANE: We will have to turn the river in.

Mr. GERMAN: I was not sure it had been absolutely decided to do that.

Mr. COCHRANE: That is his scheme.

Mr. GRAHAM: How many contracts have been let?

Mr. COCHRANE: Five.

Mr. GRAHAM: How many are there to be let and when does the minister expect the work to be completed.

Mr. COCHRANE: There are four contracts to let. No. 3 contract is the heaviest of all, and even starting this year I think we could complete these five by the time contract No. 3 is finished, which will, we hope, be three years from now, but I am afraid we may be a little shy on that.

Mr. GRAHAM: What is the size of the lock?

Mr. COCHRANE: 800 feet long, 85 feet wide, and 30 feet deep on the sills. The dredging will only go to 25 feet but they can keep on dredging year after year.

Mr. GERMAN: There is a cut off at Humberstone, where a kind of guardlock is to be constructed. That section will take more than three years and could not the minister find it justifiable to let the contract this year and begin work on that section.

Mr. COCHRANE: That will have to be discussed with Mr. Weller and my colleagues.

Mr. GERMAN: They want to go on if the minister can find the money.

Mr. COCHRANE: That is a point I have to discuss with my colleagues.

Towards construction of railway to connect Montreal with National Transcontinental railway, $750,000.

Mr. GRAHAM: Will the minister explain this?

Mr. COCHRANE: In 1912 we gave a subsidy to the North Railway Company, and last session they came back again and wanted a guarantee, and a guarantee was promised to them; but before they got to work they wanted a guarantee and a subsidy both, and the Government concluded in that case they had better build the road themselves. The hon. member for Rouville (Mr. Lemieux) and others expressed the opinion that these people ought to be compensated for the surveys they had made and other expenditures they had gone to. They got a charter and a land grant from Quebec of 8,000 acres a mile up to where it touched the Transcontinental, and 10,000 a mile beyond that, and then they had a subsidy from this Parliament. They have given up all their rights, and this was the amount that was allowed them on their handing their surveys and everything they had over to the Government. Their claim was $900,000, but we would not entertain that.

Mr. GRAHAM: Is the Government going to use these surveys?

Mr. COCHRANE: As far as we can; I think we will use a great portion of them.

Mr. GRAHAM: Where does the road run from Montreal?

Mr. COCHRANE: It runs through the county of Argenteuil; it has to conform with the physical conditions of the country.

Mr. GRAHAM: Are there estimates as to the cost of the road?

Mr. COCHRANE: No. They said it would be an expensive road and would cost $50,000 or $60,000 a mile.

Mr. GRAHAM: What standard road will be built?

Mr. COCHRANE: If the Government built it it must be the standard of the Transcontinental railway, because it is intended to give Montreal direct connection with the Transcontinental railway, and it would be foolish to build any other kind of a road.

Mr. GRAHAM: Are you going on with the road this year?

Mr. COCHRANE: I do not think so.

Mr. GRAHAM: The minister is not sure he will go on with it this year, and he probably will not.

Mr. COCHRANE: I insisted on having the vote in because conditions may change and no one knows when the war may end.

Mr. GRAHAM: Are you not likely to be accused, as you have accused others, of starting to build a road before you know what it will cost?

Mr. COCHRANE: We will not do that.

Mr. GRAHAM: You have spent a quarter of a million dollars on it already.

Mr. COCHRANE: Yes, but that was for surveys and there were various other expenditures which the company had gone to. It was not all for building a railway.

Mr. GRAHAM: They will not build any railway.

Mr. COCHRANE: That is true.

Mr. GRAHAM: I think in the first place there was a subsidy offered to any company that would build the road, and then it was transferred to a particular company, and this is the particular company.

Mr. COCHRANE: That is right.

Soulanges canal, protection works, $24,500.

Mr. GRAHAM: I suppose, as a matter of fact, the expenditures for repairs on these canals will have to be continued so long as you have canals.

Mr. COCHRANE: Yes, we cannot help it.

Mr. GRAHAM: As long as the work is needed and the money is judiciously expended there cannot be any question about it. This work has been discussed on several occasions and it has been going on for a long time.

Mr. COCHRANE: I think you let the contract.

Trent canal construction, $1,500,000; to pay claim of Cory and Laverdure, $16,000.

Mr. GRAHAM: When will this work be completed?

Mr. COCHRANE: They expect that the Rice Lake division will be completed in October, 1916. There is one contract not yet let.

Mr. W. H. BENNETT: Does the minister expect that the contract for remaining section on the Severn river will be let this year?

Mr. COCHRANE: No.

Mr. GRAHAM: Has the question about the water powers on the Trent canal been settled amicably, or is it still in court?

[Mr. Graham.]

Mr. COCHRANE: I think we will have to wait for the Privy Council to decide that.

Mr. GRAHAM: Is the case before the Privy Council?

Mr. COCHRANE: They have put in their statement of claim, but I do not think it has gone to trial yet. The Justice Department has had more than it could do since the war commenced, and the case has not been prepared for trial.

Mr. GRAHAM: As I remember it, Cory and Laverdure put in their claim for work done years ago, and these several claims were submitted to the chief engineer, Mr. Schreiber.

Mr. COCHRANE: No, they were submitted to Joseph Hobson, Robert Surtees, and George P. Brophy.

Mr. GRAHAM: That was the commission they were referred to, but Mr. Schreiber was the engineer. The claims, except this particular one, went through with the approval of every person.

There are minute details about it that I cannot recall to mind, but I remember that Mr. Cory discussed it with me several times, and I thought he had no claim, after I had read the documents many times and had consulted Mr. Schreiber. Some statement that he had made to Mr. Schreiber, if I remember well, put him out of court on this item. With the information before me, I declined to pay him. Perhaps the minister has some new information.

Mr. COCHRANE: I took my facts largely from the report and findings of this commission of engineers. It seemed to me that from an equitable standpoint he was entitled to this amount of money. He asked for a great deal more—$30,000 or $35,000. After going through it many times and discussing it, it seemed to me that he was equitably entitled to this money. He does not get over fifty per cent of his claim.

Mr. GRAHAM: I am the last man to find fault with the settlement of a claim on equitable grounds as against legal technicalities.

Mr. COCHRANE: Legally he was out of court.

Mr. GRAHAM: There are many claims—I suppose there are still—that have some foundation in equity, though not in law, and I would not object to their all being cleaned up in an equitable manner. I think the Government has no more right to

beat a man on technical grounds than one man would have a right to refuse to pay an account to another on technical grounds if he really owed the money. If the minister has come to the conclusion that the country owes Cory & Laverdure $16,000, I have no objection. All I am saying is that I looked into the matter, and I thought, with the facts before me, that they were not entitled to the money.

Mr. COCHRANE: As the hon. gentleman says, there are many of these claims. Mr. Cleveland has been here to get me to go into his claim. I have not done it yet. The claim is very old; the engineers on the ground at the time are gone. It is hard to work out what is due him in equity. I could not do it this year, but I believe there is something due him, and I hope to get at it.

Mr. MACDONALD: What is the reason against him?

Mr. COCHRANE: He is outlawed for one thing.

Mr. MACDONALD: That does not matter.

Mr. COCHRANE: The claim was more for extras, outside the contract itself. It was in the department even before my hon. friend (Mr. Graham) was minister.

Mr. GRAHAM: Long before.

Mr. COCHRANE: It was a difference between Mr. Schreiber and the Board of Engineers.

Welland canal—towards construction of high level bridge over canal, $50,000.

Mr. GRAHAM: The Government pays that entirely?

Mr. COCHRANE: No, nor half. And we get rid of a low level bridge there which would have to be replaced soon, and a man will not have to be kept there.

Grand Trunk Pacific railway—remuneration to Government director of, $2,000.

Mr. GRAHAM: Has the minister a copy of the director's report?

Mr. COCHRANE: No.

Mr. GRAHAM: He usually makes a report of some kind.

Mr. COCHRANE: If he has, I have not yet received it.

Canals—staff and repairs, etc., $1,452,500.

Mr. GRAHAM: At the Cardinal locks a statistical officer, Dr. Williams, was dismissed and a brother of the Minister of Customs was appointed in his place. That was bad enough, but I am told that the new appointee does not do the work and that an assistant has been appointed to help him. There is no more need of an assistant there than there is of a fifth wheel to a coach. I wish the minister would look into the matter.

Mr. COCHRANE: All right.

Mr. GRAHAM: How does the staff compare in size with that of last year?

Mr. COCHRANE: It has not been increased to any extent. Of course the elevator at Port Colborne has been working day and night; we have had to put on double shifts.

Canals — compassionate allowance to the widow of the late Michael Lawrence Allen, who was accidentally killed while in discharge of his duties as handy-man on the Lachine canal, $1,000.

Mr. COPP: I am glad that the minister has put in items 362 and 363, compassionate allowances, and I want him to add one more. I brought to the attention of the minister the other night the matter of paying compensation to Mr. O'Rourke, who lost his wife under conditions similar to those in respect of these other two votes.

Mr. COCHRANE: My hon. friend says that he would obtain further information and speak to me about it, but I have not received that information.

Mr. COPP: I will give it to my hon. friend now. The hon. gentleman has information in his office with regard to this man's wife having been killed. Application was made for compensation. I was glad to hear my hon. friend say that he allowed these other claims to pass not on legal grounds, but on equitable grounds. I think he took the right ground.

Mr. COCHRANE: Cases are not at all similar.

Mr. COPP: But the precedent is similar and my hon. friend's argument is similar. While perhaps this man legally was out of court, equitably he was entitled to some consideration. I have received information that this man is in a very delicate state of health; he is partially paralysed and has hard work to get along. When a compassionate allowance is made in these two cases one might also be made in his case. I know it would be gratefully received by him and would be appreciated by the people generally.

Mr. COCHRANE: The Supplementary Estimates for 1915-16 will be down in the morning, so I am afraid it would be too late to get anything in this year, even if my hon. friend's new information would convince me that an allowance should be made.

On motion of Mr. Rogers, the House adjourned at 11.40 p.m.

Tuesday, March 30, 1915.

The House met at Eleven o'clock, the Speaker in the Chair.

DOMINION ELECTIONS ACT AMENDMENT.

Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 110, to amend the Dominion Elections Act. He said: This is one of the Bills which was reported by the select special Committee appointed to consider the advisability of amending the Dominion Elections Act and the Dominion Controverted Elections Act. In this Bill, they propose first to repeal certain provisions in force in Saskatchewan and Alberta which permit a voter presenting himself at the polls after the lists have been completed to vote by simply swearing as to his qualifications. The same provision holds good in the Yukon, and it is not proposed to alter it as regards that territory. In the view of the committee, the conditions which justify it have ceased to exist in the two provinces mentioned. The next provision of the Bill is to make an amendment with regard to deferred elections. The change effected by the Redistribution Act in certain constituencies altered the names of those constituencies as they appear in the present Act, making the provision to defer the election no longer applicable. The Bill does not purpose to provide for deferred elections in the entire portion of the constituencies that have been composed of parts of those constituencies in which they were previously permissible, but only in these new constituencies where conditions require it. There is also an amendment to make provision with regard to cases where a candidate may die after nomination, to assimilate the condition prevailing in the provinces of Alberta and Saskatchewan to that prevailing in the rest of the country. There is a provision to prolong the hours of polling from eight to six instead of from nine to five, and a provision requiring employers to give an extra hour over and above the noon hour to their employees to enable them to vote, without making any deduction in their pay. There is also a provision for correcting an error in the French version of one of the sections of the Act as it now stands. Furthermore, the schedule containing the nomination paper is proposed to be amended so as to require the candidate nominated to insert in the nomination paper an address at which all processes or papers with regard to the election, or any contestation of the election, may be served upon him.

Motion agreed to, and Bill read the first time.

DOMINION CONTROVERTED ELECTIONS ACT AMENDMENT.

Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 109, to amend the Dominion Controverted Elections Act. He said: Dealing with the provisions which this Bill proposes to make as a whole, I may say their purpose is to simplify the procedure in controverted elections and to expedite the trial. There are provisions with regard to the proof of qualification of the petitioner, which make the production of the list upon which a man figures as an elector in the district conclusive proof of his qualification. The forms of the petition and the counter petition are modified so as to make them more simple, while at the same time giving more specific information to the party against whom the petition is brought or the counter petition is made of the nature of the charges intended to be covered by it. There is a provision with regard to deposits for the purpose of making the receipt for a deposit conclusive evidence of the making of it. There is also a modification of the present requirements of advertising the petition, for the purpose of simplifying it. The delays for service and the delays for answer are also proposed to be shortened, and a delay of fifteen days is fixed, after which a day may be fixed for trial. There is a provision that, if neither of the parties choose to have a day fixed for the trial, the court, after the expiry of thirty days, after notification and application by the clerk, may fix a day upon which the parties shall be bound to proceed to trial. Inasmuch as preliminary objections are entirely done away with, of necessity the appeal from any judgment on such objections disappears; therefore the provision in the Act for appeal to the Supreme Court is amended by striking out any appeal from judgment on preliminary

objections. Then there is a provision that petitions shall not abate or be dismissed or withdrawn upon the death, inability, or withdrawal of the petitioner, and provision is made to enable the proceedings to be taken up and carried on. There is an amendment with regard to prosecutions under the provisions which subject parties to prosecution for offences against the Dominion Elections Act otherwise than by contestation, requiring that any witness that the trial judge indicates as being necessary or useful witnesses on such prosecution shall be summoned, as well as all other witnesses considered necessary by the prosecuting attorney.

Mr. MARCIL: Is any definition of agent given in this Bill?

Mr. DOHERTY: The Bill does not undertake to make any definition of what constitutes an agent.

Motion agreed to, and Bill read the first time.

PELAGIC SEALING.

On the Orders of the Day being called:

Sir WILFRID LAURIER: May I ask the Minister of Justice if the commission appointed to investigate the claims of pelagic sealers in British Columbia has made its report?

Mr. DOHERTY: The report has not yet been made, but I understand that the investigation has been completed and that the commissioner is at present considering his report.

SUPPLY.

The House in Committee of Supply, Mr. Blain in the Chair.

Charges of management—printing, advertising, inspection, express charges, etc., $42,000.

Mr. A. K. MACLEAN: What is that advertising for?

Hon. W. T. WHITE (Minister of Finance): For advertising in connection with loans; it is a very small amount. The express charges are, of course, in connection with the movement of Dominion notes, currency, etc.

Charges of management—commission for payment of interest on public debt, purchase of sinking funds, $60,000.

Mr. A. K. MACLEAN: Will the minister explain this item?

Mr. WHITE: We have an arrangement with the Bank of Montreal to act as our agent in London. The details of the agreement have been before the House in the past. There has been no change in the last couple of years. This item covers the commission for payment of interest on the public debt and for purchases on sinking fund account. It is simply a routine item covered by the agreement we have with the bank.

Mr. A. K. MACLEAN: I see there is an increase of $10,000.

Mr. WHITE: The debt, especially during this year, will very substantially increase.

Brokerage on purchase of sinking funds, $5,600.

Mr. A. K. MACLEAN: Does that go to the Bank of Montreal agency?

Mr. WHITE: No, that would be the fee charged by brokers on purchasing for the sinking funds in the open market.

Mr. MACLEAN: It does not cover the case where the Bank of Montreal is acting as Government agent?

Mr. WHITE: It is not paid to the Bank of Montreal. It is the brokerage for the purchase of securities for sinking fund account.

Removal of foreign and uncurrent coin from circulation, $15,000.

Mr. A. K. MACLEAN: Has the minister any statement to make as to the quantity of foreign coin removed from the country this year?

Mr. WHITE: The amount exported for the 11 months of the current fiscal year was $1,534,009.16 and the charges paid, $10,951.79. My hon. friend no doubt knows that we have an arrangement with the banks under which, for a small commission and I think the payment of the cost of expressage, we export American silver.

Departments generally—Contingencies—Care and cleaning of Departmental buildings, including amount of $50 each to E. Snowden and W. H. Jeffrey for firing noon gun, $175,000.

Mr. GRAHAM: I suppose that Mr. Snowden and Mr. Jeffrey do not have to pass a civil service examination for firing the gun?

Mr. WHITE: Since the war has broken out it might be advisable to consider whether they should not do so.

Mr. GRAHAM: Their names appearing here would indicate that they did not have to pass an examination.

Mr. WHITE: That is an historic item it has been included for many years

Mr. DEVLIN: Was it necessary to rent a number of additional buildings?

Mr. WHITE: My hon. friend will surmise that this Government would not spend any money that was not absolutely necessary. I believe it was necessary to rent the buildings. Of course, my department has charge only of the caretaking after they have been rented.

Mr. DEVLIN: My hon. friends, before 1911, condemned the Government then in power for renting additional buildings in the city.

Mr. WHITE: Before I can pass judgment on the merits of the case, I would have to be acquainted with all the facts.

Mr. DEVLIN: Has a new High Commissioner been appointed?

Mr. WHITE: No.

Mr. DEVLIN: Is one likely to be appointed in the near future?

Mr. WHITE: The Prime Minister would be better qualified to answer that question. I believe the Acting High Commissioner will remain there for some considerable time yet.

Mr. MARCIL: Is the Paris office still under the control of the High Commissioner, or is it independent? I understood the Paris office had to report by way of London?

Mr. WHITE: I understand that that is not the case now. The Paris office is under the Prime Minister, I think.

Mr. A. K. MACLEAN: While the Prime Minister is away, possibly the Minister of Finance will tell us who is to be appointed to the High Commissioner's office?

Mr. WHITE: I am afraid I shall have to leave that to be announced by the Prime Minister.

Sir WILFRID LAURIER: Will he announce it?

Mr. WHITE: In his good time he announces nearly everything that is necessary.

Sir WILFRID LAURIER: In his good time, yes.

Mr. GRAHAM: Will the minister tell us who would like to be appointed?

Mr. WHITE: Are we trying to get through by Saturday night?

[Mr. W. T. White.]

Civil Government—Department of Insurance —salaries, $28,025.

Mr. GRAHAM: There has been some readjustment in the Insurance Department, I think.

Mr. WHITE: Mr. Fitzgerald having retired, Mr. Finlayson was appointed Superintendent of Insurance. There is no substantial change in the staff. There will be one or two promotions in order to meet the new situation.

Mr. GRAHAM: Who are the inspectors of the Insurance Department?

Mr. WHITE: Mr. Finlayson does some inspecting. Then there is Mr. O'Reilly, Mr. Watson, Mr. MacTavish, Mr. Gilliland, and Mr. Warwick.

Mr. GRAHAM: Which one inspects in Montreal?

Mr. WHITE: I think Mr. Finlayson himself.

Civil Government—Miscellaneous—grant to the National Battlefields Commission, $122,000.

Mr. DEVLIN: What work is it proposed to carry on this year out of this appropriation?

Mr. WHITE: About six weeks ago the Prime Minister, the Minister of Public Works, myself and other ministers were invited down to the offices of the Commission to inspect the plans which had been prepared. They were not quite complete, but will be almost any day. The Chairman of the Commission told me that he hopes that the very full and comprehensive report which is being prepared will be ready for submission to the Government within a month or six weeks. I had hoped to lay it on the table of the House before the end of session, and to invite members down to see the plans. I have not heard anything further about the matter, but I believe the work is almost completed. I shall be very glad to have any hon. gentlemen come down and see the plans when they arrive.

Sir WILFRID LAURIER: The Commission have reported to me that they have been in correspondence with the Department of Militia with the object of getting a grant from the Militia Department of a certain park down there which forms part of the military works. I do not know just what it is, but I understand that if the Commission were allowed to use that park they would be able to carry on certain works which otherwise they cannot do.

Major General HUGHES: There has been some correspondence on this subject with the department. If my right hon. friend will permit me, I will come around to him and explain the situation?

Excise—Salaries of officers and inspectors and to provide for increase depending on the result of Excise examinations, $570,825.

Mr. DEVLIN: Would the minister give some explanation of the increase?

Hon. P. E. BLONDIN (Minister of Inland Revenue): The increase of $5,546.45 is due to the increase in business, resulting in the demand for stamps, and to general expenditures in the department.

Mr. DEVLIN: I see by the reports of the department that the department is making examinations of patent medicines, and that in several instances spurious goods were found on the market. Is the minister taking any steps to put an end to the sale of these spurious goods?

Mr. BLONDIN: I understand that the law provides that anybody can get a license for the sale of patent medicines upon making application to the department and paying a small fee. We intend to appoint a qualified man to take charge of that branch of the department and to investigate very carefully every case in which a man applies for a license.

Mr. DEVLIN: I do not think the minister understands my question. Take, for instance, the sale of the article known as citrate of magnesia; that and other articles have been examined by the department and it has been found that they do not contain the required basis of sodium or whatever specific they should contain. The department's inspectors so report. Is the minister going to allow that state of affairs to continue, or is he going to take steps to put an end to it.

Mr. BLONDIN: Every time a complaint is received by the department our officers go to a store and ask for a sample in order that an examination of the article may be made, and if the article is found not up to standard, or deleterious to public health, the law provides that proceedings may be taken against those who are selling it, and we intend to enforce that part of the law.

Mr. DEVLIN: Has the minister taken any proceedings up to date in the case of drugs?

Mr. BLONDIN: I am informed that proceedings have already been taken in the case that my hon. friend refers to.

Mr. CARROLL: Has the attention of the department been called to the abnormal amount of alcohol contained in certain patent medicines that are kept for sale in various Canadian drug stores and in other licensed stores?

Mr. BLONDIN: Yes, and the matter is under investigation.

Mr. CARROLL: There have been many complaints in our part of the province, which is a prohibition province, that mixtures are sold in drug stores containing a percentage of alcohol sufficiently large to produce intoxication. I would like to know if the department has taken the proper steps in reference to this matter. It is to be regretted that stuff of that kind can be legally sold by drug stores and licensed vendors of patent medicines to young boys and very often young girls. I am not looking at it so much from the moral as from the physical aspect although both are bad.

Mr. SCHAFFNER: Has the hon. gentleman in mind the names of any of these preparations?

Mr. CARROLL: No, although I think Peruna is one. I understand that in our own police courts in Glace Bay and Sydney mixtures have been found on prisoners who have come in, which they had bought at drug stores and which contained such large percentages of alcohol that persons were sent to jail as common drunks as the result of having inbibed them.

Mr. SCHAFFNER: The only one that has come to my notice has been the one to which the hon. gentleman has referred —Peruna. I was wondering if there were others.

Mr. CARROLL: There are others.

Mr. MARCIL: Has any inspection been made of Peruna by the Department?

Mr. BLONDIN: I am informed not.

Mr. MARCIL: Has any complaint been received?

Mr. BLONDIN: No.

Mr. SCHAFFNER: Why not?

Mr. BLONDIN: I am informed that this matter is supervised under the provincial law. The department sees to the collection of the duty on the alcohol used in the making of patent medicine, but the control of the sale of alcohol is with the Provincial Government.

Mr. PARDEE: Do they not get their licenses for patent medicines in your department?

Mr. BLONDIN: They get their licenses.

Mr. PARDEE: The department surely will not grant them a license without having the power of supervision?

Mr. BLONDIN: It is more a certificate than a license. They have to make a certain declaration to the departmeent that the medicine is made of such and such material or liquid, and we give a certificate or a registration number.

Mr. PARDEE. You do not certify as to the ingredients used? Is there no formula that they have to file?

Mr.BLONDIN: No.

Mr. PARDEE: What is the object of the law, then? Surely the certificate can serve nc purpose?

Mr. BLONDIN: The registration enables the department to keep track of a preparation if, upon investigation, it is found to be injurious to public health.

Mr. CARROLL: Would your inspectors not have the right to investigate Peruna and find out whether there is an excess of alcohol in it?

Mr. BLONDIN: That is all under provincial authority, I am informed by my deputy minister.

Mr. CARROLL: Have they no power to make an analysis of patent medicines ?

Mr. BLONDIN: The duty of our officers is to see that certain ingredients which are forbidden are not contained in the medicine.

Mr. CARROLL: If patent medicines containing a large percentage of alcohol and other poisons are sold in these drug stores, it is a serious thing if the law is not sufficiently wide to enable the Inland Revenue Department to have these medicines analysed. The law should be amended in that respect.

Mr. BLONDIN: I agree with my hon. friend, and it is a branch of the department in which I intend to make improvements this year, and to that end we are providing in the Supplementary Estimates for the salaries of competent officials to analyse these medicines.

Mr. SCHAFFNER: Surely the formula of these patent medicines must be registered in some department ?

[Mr. Blondin.]

Mr. BLONDIN: The medicines are registered.

Mr. SCHAFFNER: For example, have you not the formula of Peruna in your department ?

Mr. BLONDIN: No. Patent medicines have only to be registered before they are allowed to be sold.

Mr. MARCIL: I heard a former Governor General of Canada denounce Peruna in the most energetic terms, as containing fifty or sixty per cent of alcohol.

Mr. BLONDIN: There is a standard which gives a list of different drugs which are forbidden to be used in patent medicines, but all that has been done up to the present is to see that such ingredients are not contained in the medicines.

Mr. SCHAFFNER: I was under the impression, as most people were, that the formula of patent medicines had to be registered with some department of the Government. If that is not so, the law should be amended to provide for it.

Mr. MARCIL: Is not the vendor of every patent medicine obliged to send a sample to the department for analysis ?

Mr. BLONDIN: No. The declaration does not go further than to mention that the patent medicine does not contain any of the prohibited ingredients.

Mr. MARCIL: If your inspector ascertains that some of these medicines contain harmful ingredients, do you notify the provincial authorities to prosecute ?

Mr. BLONDIN: The Department itself prosecutes.

Mr. SPEAKER: In the sale of headache powders, which sometimes con-
12 noon. tain phenacetin and phenalgin, is there any restraint over the druggist against selling them to the public generally, other than the restraint provided for in the provincial Pharmacy Act?

Mr. BLONDIN: The inspectors see that headache powders are made up to the standard, and the vendor is prosecuted for an infraction of the law.

Mr. SPEAKER: What do you mean by making powders "up to the standard"? Some of these powders contain dangerous poisons, and it is generally understood that the sale of them to the general public is prohibited. They are patent or proprietary medicines, and is there no power in

the Inland Revenue Department to restrain the sale of them?

Mr. BLONDIN: No. I understand that the duty of the inspector does not go beyond seeing that the medicines which are sold contain none of the prohibited ingredients.

Mr. CARROLL: I would strongly urge upon the minister and on the Government generally that the law should be amended so that those who sell patent medicines which contain dangerous ingredients should be prosecuted. Certain poisons are allowed in these proprietary medicines up to a specified quantity, and if the maker puts in two grains where one is prescribed then prosecution should be instituted. The Department of Inland Revenue should take power to control the sale of patent medicines and to analyse every such medicine which is sold in drug stores.

Mr. BLONDIN: I have a report that 171 samples were collected by my officers this year. Four of the samples declare acetanilid under the name of phenylacetanid, and seven declare phenacetin as acetphenetidin, and all but eight were held to meet requirements of the Act.

Excise—for extra duty pay at large distilleries and other factories, $15,000.

Mr. KNOWLES: What is the annual charge for bonded warehouse licenses made by the Minister of Inland Revenue, or is there any charge?

Mr. BLONDIN: For a distillery or for a manufactory of cigars and tobacco?

Mr. KNOWLES: For bonded warehouses such as the wholesale liquor merchants have in the cities throughout the country?

Mr. BLONDIN: $50 a year.

Mr. KNOWLES: If they have been used for only part of the year, is a refund made?

Mr. BLONDIN: Such a case has never been brought before the department before. If such a case occurred, the man would be entitled to some consideration. It would be dealt with by Order in Council.

Mr. KNOWLES: In my own province, in all probability bonded warehouses will be a thing of the past after the first of July next, if the Government of that province carry out the policy that it has publicly announced. If the license is only $50 a year, the matter is not very important, but the principle is the same. From what date does the license run?

Mr. BLONDIN: From the 1st of April.

Mr. KNOWLES: Will our merchants in the province of Saskatchewan have a refund for the nine months from the 1st of July to the 1st of April of the following year?

Mr. BLONDIN: The matter will have to be considered by council. My impression is that they ought to have a refund.

Mr. KNOWLES: Is the minister sure that the matter can be dealt with by Order in Council?

Mr. BLONDIN: Yes.

Mr. CARROLL: Are the ordinary bonded warehouses under the control of the minister or under the control of the Department of Customs?

Mr. BLONDIN: Under our control.

Mr. CARROLL: In the town of Glace Bay there is a public building, the first floor of which is occupied by the post office and the second floor by the customs. There is a large basement which is used as a bonded warehouse in connection with the Customs Department. I am speaking about last summer; I do not know about the last two or three months.

Mr. BLONDIN: May I correct my answer? The Customs Department has bonded warehouses also.

Mr. CARROLL: For the keeping of intoxicating liquor?

Mr. BLONDIN: Yes, all goods generally subject to a duty.

Mr. CARROLL: It is a fact that you cannot go into the post office without getting the smell of intoxicating liquors to an intolerable extent. I do not know whether the matter has been remedied or not. The whole county, including that town, is under a local prohibition law; yet the Government are establishing bonded warehouses. I am not objecting to having a bonded warehouse in the town; but I do object, on behalf of the public, to having it in the basement of a public building into which every one of the public goes daily for mail.

Mr. BLONDIN: That case is for the Minister of Customs.

Excise—travelling expenses, rent, fuel, stationery, etc., $130,000.

Mr. MARCIL: Why the increase?

Mr. BLONDIN: On account of the increase of business.

Mr. MARCIL: Does the minister contend that business has increased in the past year?

Mr. BLONDIN: Yes.

Mr. MARCIL: In what part of the country?

Mr. BLONDIN: I have here a comparative statement of receipts for the months of August, September, October, November and December, in the years 1913-14 and 1914-15. For the five months in 1914-15 the receipts were $1,363,859, against $1,074,000 for the five months in 1913-14, or an increase of $289,859. Although during a certain period in the present year, the revenue was not what it was expected to be, yet by the first of February we had collected as much in ten months as we collected in the whole of 1914.

Mr. MARCIL: On liquors or on cigars, or on both?

Mr. BLONDIN: On all excise. Therefore the balance of two months will show a net increase.

Mr. MARCIL: It is advertised in the newspapers that the Government maintains inspectors in distilleries, and that certain liquors are sold under government inspection. Does that mean that the Government guarantees the quality of the liquor put into the bottles? More inferior liquor is sold in this country than in any other country of which I know, except the United States.

Mr. BLONDIN: We guarantee the age.

Mr. MARCIL: But not the quality?

Mr. BLONDIN: No.

Mr. MARCIL: Is not the inspection as to manufacture?

Mr. BLONDIN: My attention has not been called to that matter before.

Mr. MARCIL: The hon. member for South York (Mr. W. F. Maclean) made an interesting speech here some years ago in regard to the selling in this country of whisky supposed to be bottled in Scotland, which had never come from Scotland at all, having been manufactured in this country. It was of an inferior quality, was sold at a low price, and was nothing other than poison. Has the minister any control over the bottling of such stuff as that? If he has not, he should have, because the poorest classes especially in the cities drink whisky of the very vilest kind.

[Mr. Blondin.]

Mr. BLONDIN: Under the Adulteration Act, the department, on complaint being made, has power to prosecute the seller of any liquor so adulterated.

Mr. MARCIL: Is it necessary that a complaint be made before the matter is looked into? Do the inspectors not ascertain these things in connection with their own work?

Mr. BLONDIN: No, they do not take action until complaint is made.

Mr. MARCIL: In Europe any one selling adulterated liquor is liable to a fine or to the loss of his license. In this country, so long as no complaint is made a man may sell almost anything in the shape of liquor, put any label he likes on the bottle, and sell it at any price he likes.

Mr. BLONDIN: Licenses for the sale of liquor are issued by the provincial authorities, so that that matter would come more under their jurisdiction than ours.

Weights and Measures—salaries of officers, inspectors and assistant inspectors, $112,800.

Mr. DEVLIN (Translation): Could the hon. minister explain this item?

Mr. BLONDIN (Translation): It is the same as last year.

Mr. DEVLIN (Translation): Why do you pay that amount to the officers in Manitoba and the West, while you give nothing for similar purposes to the officers in the eastern provinces?

Mr. BLONDIN (Translation): My deputy informs me that this additional salary is granted, because living is much more expensive out West than elsewhere. I am under the impression that these officers are liable to incur living expenses on account of their being stationed so far from the capital.

Mr. DEVLIN (Translation): This does not seem to me to be a fair increase, because living expenses are very high throughout Canada, in the eastern provinces as well as in the western provinces, and the government should give a similar increase of salary to the officers stationed in the eastern provinces.

Mr. BLONDIN (Translation): It was always so and this is by no means a new departure.

Mr. DEVLIN (Translation): When an enactment has become objectionable, it is high time to correct it.

Mr. DEMERS (Translation): Under the words " Preventive Service " could the hon. minister tell us how the proceeds of any penalty or forfeiture imposed or made in respect of persons selling without a license are appropriated? In what way are these penalties divided under the Act?

Mr. BLONDIN (Translation): Half the proceeds of any penalty goes to the person having given information and the other half goes to the government.

Mr. DEMERS (Translation): Does the Inland Revenue officer not get part of the penalty? Does the officer by whom the seizure was made not get part of the proceeds of the penalty?

Mr. BLONDIN (Translation): Yes, he does, in certain cases, when he gives the information.

Mr. DELISLE (Translation): What part of the proceeds does he receive?

Mr. BLONDIN (Translation): One-half, minus expenses.

Mr. DEVLIN (Translation): In what section of the country are these additional officers located?

Mr. BLONDIN (Translation): They are distributed as a rule throughout the Dominion. We have opened new centres and it was found necessary to appoint more officers, but the new men are assigned to various points throughout the country. As regards the province of Quebec, they are distributed between the cities of Quebec, Three Rivers, St. Hyacinthe, Montreal and other localities, according to their importance.

Weights and measures—rents, fuel, travelling expenses, postage, stationery, etc., including amount for purchase of standards of the metric system, salaries and other expenses of inspectors, $81,000.

Mr. MARCIL: How is the inspection of weights and measures carried on in the province of Quebec?

Mr. BLONDIN: The inspectors make regular inspections every two years, or whenever they are called upon to do so.

Mr. MARCIL: How many officials has the minister now in the district of Quebec?

Mr. BLONDIN: I am informed that we have nine.

Mr. MARCIL: I understand that some inspectors in the district of Quebec are employed only two or three months in the year. These men have no stated salaries, and are given allowances for their travelling expenses. What is the average salary paid to these men who are not employed the whole year round?

Mr. BLONDIN: $800.

Mr. MARCIL: What salary is paid to Mr. John Dagneau, of St. Omer, county of Bonaventure, district of Quebec?

Mr. BLONDIN: I will obtain that information for my hon. friend.

Mr. MARCIL: How many officials did the hon. minister have in the Quebec district five years ago? In my constituency three men have replaced two men, and I should like to know if the increase has been general throughout the district. I should like to know also whether Mr. Dagneau's salary has been increased, what he has been paid for travelling expenses, whether it is the custom of the department to allow such men to take part in municipal organizations and in the distribution of patronage and public offices. Hardly a return is brought down in the House which does not contain the name of John Dagneau as being the man making the complaint, as being a witness, or as having some connection with the distribution of patronage. I do not know whether this is done with the minister's knowledge, but I would like to know exactly whether these men are permitted to interfere in political and municipal affairs. I think this man is mayor of his locality, but I have no objection to that. What are the rules governing officials who are employed for only two or three months in the year?

Mr. BLONDIN: I am informed that the salaries of these officials range from $100 to $200.

Mr. MARCIL: Mr. Dagneau receives much more that that.

Mr. BLONDIN: I cannot give the information now.

Mr. MARCIL: I presume the minister will say that, so far as interference in politics is concerned, it is not permitted?

Mr. BLONDIN: I understand that is the policy of our department.

Mr. MARCIL: The minister may take my word for it that Mr. Dagneau is the most active politician we have in Bonaventure; he is even spoken of as becoming the Conservative candidate in the constituency, to which I would have no objection. He took the place of a man who

had been dismissed because he had taken part in politics, and the same rule should apply to him as to his predecessor.

Mr. DEMERS (Translation): How does the minister deal with those employees?

Mr. BLONDIN (Translation): The employees must be warned that complaints have been lodged against them, and that, in the future, they will have to submit to the Government regulations; and, if they do not comply, they are dismissed.

Mr. DEMERS (Translation): Has the minister had to take such action since he took control of the department.

Mr. BLONDIN (Translation): Happily not.

Rent, fuel, travelling expenses, stamps, stationery, etc., for the weights and measures branch, including the purchase of metric standard units, appointments and other expenses of inspectors, etc., $81,000.

Mr. DEMERS (Translation): Will the minister please explain the $6,000 increase in this item?

Mr. BLONDIN (Translation): My hon. friend is aware that since last August, there has been especially in my department, a great increase in the work on account of the collection of the war tax, and also, as I have already pointed out in the House, on account of the general increase of business in almost all localities. It covers especially the price of stamps.

Mr. MARCIL (Translation): Am I to understand from the figures of the minister that, in general, the consumption of liquors is on the increase instead of decreasing?

Mr. BLONDIN (Translation): No. My hon. friend must keep in mind that we have increased the tax by 50 cents per gallon.

Mr. BUREAU (Translation): That has nothing to do with it.

Mr. BLONDIN (Translation): The revenue is increased by so much.

Mr. BUREAU (Translation): I fail to see how, if a man buys a 15-cent stamp instead of a 5-cent one, that will give more work to an employee.

Mr. BLONDIN (Translation): My explanation was not clear; I should have said that the increase in the expenditure was for the printing of the stamps.

Mr. BUREAU (Translation): The minister has just told us that an employee must abstain from interfering in politics and that should he not do so, he is warned that he has to conform to the regulations. I may ask the minister if there is in force in his department a regulation which forbids civil servants to take part in politics?

Mr. BLONDIN (Translation): No, I was alluding to the general policy of the Government, and not to such a regulation as the hon. member has in mind. Fortunately for me, since taking charge of the department, I have had no complaint of that kind, and I did not have to act.

Mr. BUREAU (Translation): That is no answer. Did not the hon. minister say a moment ago that an employee must be warned that he has to comply with the regulations of the department? Well, I am asking him what are the regulations of the department?

Mr. BLONDIN (Translation): Under the Civil Service Act, there is a special section which forbids civil servants to take part in elections; but there is no written regulation to that effect; there is only the practice followed in the departments.

Mr. BUREAU (Translation): Does the Civil Service Act apply to the outside service?

Mr. BLONDIN (Translation): The Act applies to the inside service only.

Mr. BUREAU (Translation): Most of the employees of the minister's department belong to the outside service.

Mr. DEMERS (Translation): Is there a penalty provided in the Act which provides that civil servants shall keep out of politics?

Mr. BLONDIN (Translation): I did not say there was such an enactment. It is left to the minister's discretion and I think that whoever breaks the rule is liable to be punished by the minister.

Mr. DEMERS (Translation): Are the revenue stamps printed in English and French?

Mr. BLONDIN (Translation): My hon. friend is not aware that the former practice was to have them printed in English only. I took steps to have them printed in both languages, and I hope before long to satisfy my hon. friend. The Act which is now before the House will come into force only on the 15th of April next.

Mr. MARCIL (Translation): The two languages are official, and for use in the

province of Quebec, would it not be possible to have stamps printed in both English and French? I shall go further. Would not a stamp printed in French only be as legal as one printed in English only?

Mr. BLONDIN (Translation): I made representations and as a result the officers of my department will be in a position to deliver stamps printed in French when so required.

Mr. MARCIL (Translation): Has the Government within the last few months, passed an Order in Council prohibiting employees of the outside service to interfere in the management of municipal or school affairs?

Mr. BLONDIN (Translation): The Government has no fixed policy on the question; I believe, on the contrary, that it was publicly stated that it was not the intention of the Government to prevent its employees from taking part in municipal politics?

Mr. MARCIL (Translation): I thought that it was the very opposite and that by an Order in Council, it was decreed that from the 1st of January, 1916 or 1917, civil servants would be forbidden to take part in municipal elections.

Mr. BUREAU (Translation): Does that same rule apply to the provincial elections?

Mr. BLONDIN (Translation): I think the question relates chiefly to the civil servants in the city of Ottawa, and I know that the Government has decided not to interfere.

Mr. CARROLL: Has it been brought to the attention of the minister that a high-salaried official in his department has written a very severe castigation of the Liberal party in connection with the dual language question in Ontario?

Mr. BLONDIN: I think that is going far from the item under discussion.

Mr. DEVLIN: No, I think that is getting very near.

Mr. BLONDIN: What has my hon. friend to say?

Mr. CARROLL: I have this to say. Some days ago I noticed in the papers extracts from a pamphlet which was issued, I understand, by the gentleman holding the position of Deputy Minister of Inland Revenue. I am not bringing up this question for the purpose of making any comparison between the French and the English languages. Both languages are excellent, and I think no man in this country educated, in the proper sense of the word, who cannot speak both. In this pamphlet the deputy minister severely criticises the attitude of the Liberal party in regard to the bi-lingual question. In my opinion he went beyond his depth, and beyond what any deputy minister or civil servant in this country should go. Even the Conservative press, the Ottawa Citizen, for instance,—

Mr. FRIPP: That is not the Conservative press.

Mr. CARROLL: I know my hon. friend is very sore this morning.

Mr. FRIPP: I am not a bit sore. The hon. gentleman has no right to make a statement of that kind.

Mr. CARROLL: I will say, then, that the hon. gentleman has reason to be sore with the Ottawa Citizen this morning.

Mr. FRIPP: Why?

Mr. CARROLL: You had better read it. For instance, that letter addressed to the Minister of Militia that was given to Mr. Brown.

Mr. FRIPP: Have you any fault to find with it?

Mr. CARROLL: I have every fault to find with it; so has the Citizen.

Mr. BLONDIN: This pamphlet does not refer to politics in general. It simply refers to the question in debate between the people in the province of Ontario.

Mr. CARROLL: Oh, no, it refers to the attitude of the Liberal party on this question, and, in so far as it refers to that, it is not consistent with truth in the way I understand it. The deputy minister makes an attack upon the leader of the Liberal party and upon the Liberal party generally for the stand they have taken on this question. I was going to point out that the Ottawa Citizen, which is generally looked upon as a Conservative paper,—

Some hon. MEMBERS: Oh, no.

Mr. CARROLL: Hon. gentlemen may laugh. If they are willing to read the Ottawa Citizen out of the party simply because of its independence, I cannot help it. The Ottawa Citizen brought this question to the attention of the Minister of Inland Revenue. I really think that the Minister of Inland

Revenue should at least give a lecture to his deputy, not for his attitude on the bilingual question, but for the attack he has made on the Liberal party in this country.

Mr. BLONDIN: I must tell my hon. friend that we do not want to interfere on behalf of or against any group of people in Ontario interested in this question. Just as Mr. Genest and Dr. Freeland and any other public servant in the city of Ottawa has a right to express his opinion, so has my deputy minister a right to express his opinion. I have no responsibility whatever for what my deputy minister writes on municipal or provincial matters, and should not think it just to prevent him doing that, or to lecture him for anything he has done in regard to a question outside of general politics. His pamphlet certainly cannot be called a partisan attack in federal politics.

Mr. CARROLL: If the minister says that the pamphlet does not contain an attack upon the leader of the Opposition or upon the Liberal party generally, all I can say is that he cannot have read the pamphlet. If I have read it correctly it is an attack, and was designed and intended as an attack, upon the leader of the Opposition and upon the Liberal party in Dominion politics. The minister is perfectly correct in saying that the hands of the deputy minister or any other civil servant in his department should not be tied upon any question of general interest, but when from one end of the pamphlet to the other an attack upon the Liberal party and its leader is deftly mingled with another question, then I say it becomes a matter of politics and the minister should interfere, especially if he wishes to carry out the policy which has been enunciated by his Government from 1911 down to the present, and especially before 1911.

Mr. BUREAU: The minister assumes that this pamphlet is merely a discussion of the merits of the bilingual question. My hon. friend from South Cape Breton (Mr. Carroll) asserts that it is an attack on the leader of the Liberal party and upon the Liberal party generally. I say that it is an outrage, and that if the minister is going to stand behind his deputy and say that the country shall pay this man $5,000 to fight the Liberal party, a vote of censure should be passed upon the minister. The Minister of Inland Revenue runs a paper in the district of Three Rivers.

Mr. BLONDIN: I have nothing whatever to do with that paper. I had in the past, but not now.

Mr. BUREAU: I am glad the minister says so. However, they always say that the paper is the organ of the Minister of Inland Revenue; it is known as such; it is accredited as such; and whenever the minister wants to do anybody any harm it is always through this paper, La Semaine, that he does it. He is so closely connected with it that I do not think I am doing him an injustice when I say that it is his organ.

Mr. BLONDIN: How long is it since this paper was published?

Mr. BUREAU: I could not say, because I do not read it regularly. It may have suspended publication. The Tory papers in the district of Three Rivers seem to have been overcome with the sleeping sickness. As soon as the construction of public buildings ceases, the papers dwindle out of sight, and when construction is commenced again, the papers reappear. There was a copy of La Semaine in my box this morning; but, as the minister has said it is not his paper, I will take his word for it; and I will tell the people in the riding of Three Rivers to throw the paper aside, because it is not an expression of the opinions of the minister. I will go through the hon. gentleman's riding and tell the people that he disowns that paper.

Mr. CODERRE: I have read the pamphlet published by Mr. Vincent, and I do not believe it is possible to find in the whole book an attack upon the right hon. leader of the Opposition or upon the Liberal party as a whole. I have read the pamphlet very carefully, and I should like my hon. friend from South Cape Breton to point out the parts containing the attacks to which he has alluded. What Mr. Vincent says is quite to the contrary. He says he knows that some members of the Liberal party here in Ottawa are really hindering a satisfactory solution of the bilingual question in Ontario by acting as Liberals and not as French Canadians; and Mr. Vincent deprecates in that pamphlet the methods of those Liberals who are trying to make political capital out of the question. I think the pamphlet is a very good exposition of the bilingual question, and puts the question fairly before the public. I repeat that it contains nothing which could be construed as an attack upon the leader of the Opposition

as such, or upon the Liberal party as such. I admit he attacks Senator Belcourt for his attitude on the question. He says that Senator Belcourt in his attitude on this question is working not only against the Conservative party in the province of Ontario, but against the Federal Conservative party; and he begs the Liberals to study this question, not as Liberals, but as French Canadians. That is all I have read there, and I would be glad if anybody could point to anything to the contrary.

Mr. CARROLL: I cannot read sufficiently well the French language to be able to say exactly what it contains, but I saw an extract from that pamphlet. When the Secretary of State says that the writer did not attack my right hon. friend the leader of the Opposition as such perhaps I agree with him; but will the minister say that he did not attack the leader of the Opposition as a Liberal, or accuse him of trafficking in this question as a political question? Did he not attack Senator Belcourt, the champion of the French language in the city of Ottawa—

Mr. CODERRE: Yes, he attacks him.

Mr. CARROLL: —and accuses him of trafficking in this question for party purposes?

Mr. CODERRE: That is what he says.

Mr. CARROLL: What does that mean?

Mr. CODERRE: It means that Senator Belcourt is doing what he says he is doing.

Mr. CARROLL: It does not mean anything of the kind; it means that this Deputy Minister of Inland Revenue wants to make a political question out of it and wants to make his French confrères of the Conservative party in the province of Quebec believe that the Liberal party are against the French language in this country.

Mr. BURNHAM: Who made a political question out of it when they passed a resolution about it in the House at Quebec?

The CHAIRMAN (Mr. Blain): I do not think the committee are justified in going beyond the point as to whether the deputy minister was wrong in taking part in politics. What he has written I would think would not be a subject for consideration by the committee.

Mr. BUREAU: What would constitute taking part in politics? Would it mean that a man was out stumping? Would a man who would write in a paper making accusations against another party, a man who would write pamphlets and circulate them amongst the electors, not be taking part in politics? I submit that when a man writes a pamphlet on any public question and makes that question the pretext for an attack upon a party, the leader of a party, or a body of men because they belong to a certain party, he is meddling in politics. Words will fly, but writings remain. When a man writes a book or a pamphlet and uses any question to serve as a pretext for the abuse and detraction of another party, he is taking part in politics to as great an extent as if he went on the stump and made an attack upon that party. Therefore I think it comes within the scope of the discussion if the pamphlet contains such references as have been alluded to. The hon. the Secretary of State (Mr. Coderre) admitted that the pamphlet contained the statement that the leaders of the Liberal party in Ottawa were taking advantage of this situation to make a political question out of it and that they should be French before they were politicians. The fact that the writer attacks a certain number of men shows the animus and the desire, not to hurt the Liberal party in Quebec, but to hurt the Liberal party in Ontario. That is what he is aiming at. We remember the game which was played in 1911, and we remember that nobody played it better than the hon. the Minister of Inland Revenue (Mr. Blondin). I think that we are within the scope of the item when we discuss this question.

Mr. PUGSLEY: I did not have the opportunity of hearing the whole of the discussion, but I understand the complaint against the Deputy Minister of Inland Revenue is that he wrote a pamphlet charging that certain prominent Liberals were doing injury to the French Canadian cause and the French Canadian language. I understand the Secretary of State (Mr. Coderre) justifies that attack on the ground that an official has the right to express his opinion by writing pamphlets—

Mr. CODERRE: I would like to correct my hon. friend with respect to the statement that I am approving of all that has been said. I said that I had read the book, but that I had not seen anything in it of the character suggested by the hon. member for Cape Breton.

Mr. PUGSLEY: I understand that it makes a very strong attack upon certain

members of the Liberal party and among others it makes an attack against my right hon. friend the leader of the Opposition. I would like to call attention to the fact that it was not so long ago that this Government dismissed from office a gentleman who had occupied a position very much inferior to that of the Deputy Minister of Inland Revenue, who was simply the collector of customs at Coaticook, and who was dismissed because, actuated no doubt by ultra loyal feelings, he wrote a letter to one of the newspapers in which he condemned in very strong terms the conduct of certain Conservative-Nationalists in Quebec who had made the statement on many platforms that French Canadians had only been enabled to breathe the air of freedom by shooting holes through the British flag. That public servant, who had given the very best years of his life to the country, was dismissed without any opportunity of redress or without any opportunity of justifying his conduct simply by reason of having made that statement. The Minister of Customs had only to say that his attention had been called to the matter, and that he regarded it as taking part in political controversy. Without any other reason that gentleman was dismissed from office.

Salaries of gas and electricity inspectors, $88,150.

Mr. BUREAU: There is an increase of $9,200.

Mr. BLONDIN: That is due to the general increase in business.

Mr. BUREAU: Is it due to an increase in salaries also?

Mr. BLONDIN: No, it is for rent, fuel and general expenditure.

Mr. BUREAU: No; this is "salaries of gas and electricity inspectors," and there is an increase of $9,200.

Mr. BLONDIN: It is due to an increase in the number of officers.

Mr. BUREAU: Has there been any increase in the district of Three Rivers?

Mr. BLONDIN: I think not.

Rent, fuel, travelling expenses, stationery, etc., for gas and electricity inspection, and the purchase and repairs of instruments, $65,000.

Mr. BUREAU: How much of that is for travelling expenses?

Mr. BLONDIN: It is the same as last year.

[Mr. Pugsley.]

Mr. BUREAU: That does not answer my question.

Mr. BLONDIN: The same reason as is already given in other cases; it is because of the belief that this amount was due to the officers on account of the high cost of living there.

Mr. BUREAU: Where is that?

Mr. BLONDIN: In Manitoba; it is a provisional allowance.

Mr. BUREAU: That is not the item that we are on; we are on the item of $65,000 for gas and electricity inspection, and I want to know how much of the money goes for travelling expenses.

Mr. BLONDIN: These are the usual expenditures of the department.

Mr. BUREAU: I understand that, but they are enumerated. There is so much for rent, so much for fuel and so much for travelling expenses. I am asking how much of the $65,000 goes for travelling expenses, and how much it is apportioned by districts.

Mr. BLONDIN: I will get the information for my hon. friend.

Weights and Measures—provisional allowance not more than $150 each to officers in Manitoba and provinces west thereof, whose salaries do not exceed $2,500 per annum, $3,000.

Mr. BUREAU: Is that a uniform allowance to all officers who have a salary of less than $2,500 a year, or is it only for a few of them?

Mr. BLONDIN: It is given to all officers who receive less than $2,500 a year.

Mr. BUREAU: Does the minister say that every man who does not receive $2,500 a year is getting an allowance of $150, and that that covers all the employees in the province of Manitoba?

Mr. BLONDIN: Yes, and in the provinces west.

Mr. KNOWLES: The custom is, in certain small places, to employ the customs officer to look after the work of the Inland Revenue Department, and the latter department makes an allowance of say $100.

Mr. BLONDIN: That is the practice.

Mr. KNOWLES: Does a man who gets an allowance of $100 a year from the Inland Revenue Department get this $150?

Mr. BLONDIN: No, this only refers to the man who receives a regular annual salary.

Mr. KNOWLES: It does not apply to those customs officers who receive a nominal salary for doing inland revenue work?

Mr. BLONDIN: It does not.

Export of electric power, $1,000.

Mr. ROBB: What are the regulations for exporting electric power?

Mr. BLONDIN: There are no written regulations. The application is made to the department and reported to Council.

Mr. ROBB: Under what conditions did the department give permission to the Cedar Rapids Company to export 60,000 horsepower?

Mr. BLONDIN: The exportation of electric power is governed by the Privy Council, which fixes the rates and conditions.

At one o'clock, the committee took recess.

The committee resumed at three o'clock, Mr. Sevigny in the Chair.

Progress reported.

SUPPLEMENTARY ESTIMATES FOR 1915-16.

A message from His Royal Highness the Governor General transmitting Supplementary Estimates for the year ending March 31, 1916, was presented by Hon. W. T. White (Minister of Finance), read by Mr. Speaker to the House, and referred to the Committee of Supply.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Civil Government—Administration of Justice, salaries, $141,848.75.

Mr. LANCTOT (Translation): Mr. Chairman, I very much regret that the hon. member for Rimouski (Mr. Boulay) should not be in the House, because I am anxious to disprove certain statements he made the other day which are reported at page 1105 of the unrevised edition of Hansard. Here is what he said:

Regarding Hon. Justice Doherty, the member for Laprairie has again distorted the facts; he stated that Hon. Mr. Doherty received a pension of $7,000 a year, while it is only $4,666. I believe the pension of judges has been in existence since 1868.

Now, Mr. Chairman, here is what I had said, as reported at page 913 of the unrevised edition of Hansard:

Is it not his duty as Minister of Justice to make laws or amend the bad ones? Let him give up his pension; it would be a noble deed; of course, he would be losing $4,666 a year.

That is the statement I made on the 9th of March and the member for Rimouski, before stating to the House that I had distorted the facts, should have read Hansard.

Now, I have another reason to be sorry at the absence of the member for Rimouski, because I wish to make a declaration that concerns him. At the beginning of the session, the member for Rimouski came to me at my seat——

Mr. DEPUTY SPEAKER (Mr. Sevigny) (Translation): I must point out to the hon. member that the question now before the committee is the salaries of the employees of the Department of Justice. I suggest to the hon. member that he would be more in order if he would wait and rise to a question of privilege.

Mr. LANCTOT (Translation): I believe that what I wish to say is connected with the general question of the salaries of the Department of Justice and as at the present moment we are speaking of pensions, I think I am entitled to quote the words of the hon. member for Rimouski.

Mr. DEPUTY SPEAKER (Translation): I must point out to the hon. member that his correction of what the hon. member for Rimouski may have said has nothing to do with the salaries voted for the employees of the Department of Justice. I do think, as I said, that he would be in order if he brought that matter up on a question of privilege. He could then rectify the statements of the hon. member for Rimouski.

Mr. LANCTOT (Translation): Do you rule, Mr. Chairman, that I would be out of order in quoting the statement made by the member for Rimouski, charging me with misrepresentation?

Mr. DEPUTY SPEAKER (Translation): I maintain the ruling I have just given.

Mr. LANCTOT (Translation): I shall then have to wait for another opportunity. But since I cannot deal with this question any further, while I have the floor, I will ask the minister if he intends to move to have the payment of his pension suspended during 1915-16?

Mr. DOHERTY (Translation): The question of my pension is not alluded to in any shape in the Estimates now before the House. I am not asking any vote to cover the pensions of judges. The pensions are regulated by the law of the country. An Act

would be necessary to amend the law now in force governing pensions, and I do not in the least intend to introduce such an Act.

Mr. LANCTOT (Translation): The minister states an Act of Parliament would be required, but does it not belong to the Minister of Justice to make laws and amend them? I say that law is a bad law. In making this enactment, it was in the minds of the legislators to retire those judges who had become incapacitated by age or infirmities.

Mr. DOHERTY (Translation): The hon. member is not in order in proposing to amend an Act when the subject under discussion is the Estimates, which simply call for a money vote to cover the salaries of the employees of the Department of Justice. This item has nothing to do with pensions.

Mr. DEPUTY SPEAKER (Translation): I believe the point of order is well taken; I have about me the best advisers a Deputy Speaker can possibly have, and such is my advisers' opinion. I will point out to the hon. member that the item now under discussion has to do with the salaries of the employees of the Department of Justice and that there is no question whatever of the amount received by the judges who are entitled to a pension. I rule therefore that the point of order is well taken.

Mr. LANCTOT (Translation): Possibly, Mr. Deputy Speaker, you have about you the best advisers, but I have about me the electors of my constituency who urge me to continue the fight against the present Minister of Justice.

Since it is settled that I may not speak of pensions, I ought to have the right to speak of the assistants who have been given to the minister. First, is it not true that the Minister of Justice, a pensioner of the State, has had to take with him two assistants and increase the salary of his deputy minister to do the work that he himself ought to do, but neglects doing, because he is always absent going to Montreal on his private business, which leaves him no spare time to attend to the administration of the country. I protest against the increased appropriation to pay the salary of the deputy minister and against the appointment of assistants in that office.

Administration of justice—contingencies, $20,000.

Mr. DEMERS (Translation): What was the number of employees in the Department of Justice in 1911, and what is it in 1915?

Mr. DOHERTY (Translation): The hon. member will find this information in the reports brought down before the House, which give the number of civil servants in each department. The Department of Justice is included in these reports, but I shall gladly furnish any other information required by the hon. member.

Administration of justice—miscellaneous, expenditure, $10,000.

Mr. C. A. WILSON: What is that for?

Mr. DOHERTY: The services covered by this appropriation comprise the following: Cost of administration of justice in the Northwest Territories as now constituted, and in unorganized districts; expenses incurred in connection with extradition cases and cases of fugitive offenders from or to other parts of the Empire; copies and translations of evidence required in dealing with applications for clemency; expenses of commissions of inquiry; sundry small expenses not otherwise provided for. $10,000 is considered ample to cover the yearly expenditure, but it is impossible to make a close estimate, as in one year there may be a large expenditure under the first two items, and the next year there may be scarcely any. This is the usual vote.

Administration of justice—living allowance for judge of Atlin district, B.C., $1,200.

Mr. W. M. MARTIN: What is the policy of the minister with respect to judges holding commissions in the active militia?

Mr. DOHERTY: We did have a few applications from judges in different parts of the country asking for leave of absence in order to join the overseas contingents. The matter was carefully considered, and it seemed to the Government that the moment had not arrived when it was necessary that the judges should leave their judicial duties in order to take part in military operations. So far, we have declined to grant leave of absence for that purpose. I think there were altogether four or five such applications.

Mr. W. M. MARTIN: My question relates more particularly to judges who hold commissions in the militia in different districts, and who at the same time act as judges.

Mr. DOHERTY: I have had no suggestion that any judge has engaged in the duties of an officer of the active militia at

times when he should be giving attention to his judicial duties.

Mr. MARTIN: It would not be proper to mention names, but I know one case where a judge received promotion in the militia of Canada. He was promoted from the rank of captain to a higher rank, that of major or colonel, I think. He says that he wants to go to the front, but the Minister of Justice will not let him go. It seems to me that a man in that position ought either to be relieved of his position as judge, or to be given an opportunity to go to the front and show what he is made of.

Mr. DOHERTY: If the gentleman referred to desires, as the hon member suggests, to be relieved of his position as judge, he has a very simple method open to him. The judicial business of the country must be carried on, even though we be at war. I trust that the time will not be reached when it will be necessary to call upon the judges to abandon the administration of justice in order to take an active part in the war. I am not prepared to say what might happen if some exceptionally well-qualified military man happened to be upon the bench, but under existing conditions we have not felt justified and would not feel justified in allowing a judge leave of absence in order that he may go to the war.

Mr. W. M. MARTIN: Does the minister not think that a judge who has not the eminent qualifications to go to the front as a militia officer should resign his commission in the militia?

Mr. DOHERTY: I should like to know the details of the particular case in question before pronouncing an opinion in that regard. I might perhaps say something very unfair by reason of my not knowing the particular conditions. It seems to me conceivable that a judge—I do not know whether my hon. friend refers to a high court judge or a county judge—might be able to be of some useful service in connection with the militia without in any way interfering with his judicial duties. I would not like offhand, without knowing the particular circumstances of a particular case, to make a pronouncement upon the subject.

Mr. GAUVREAU: Does the minister remember that last year I had occasion to write to him about the case of a man named Auclair at Rivière du Loup? I never received an answer from the minister. I do not know whether he is too busy with his pension or what it is. I thought at the time that a representative of the people of this country was entitled to have an answer from the minister, even if he happened to be a Grit or of any other political faith. The trouble is that they wanted to expropriate a poor old fisherman at the point at Rivière du Loup on account of his political colour, he being a Liberal in good standing. I wrote to the Minister of Justice asking for fair play and justice to the poor old fisherman. I may say that last session I brought the case to the attention of the Minister of Public Works and, though we may think lots of things about him, he was kind enough to let me know that he was ready to help the poor fisherman. But I am sorry to say I could not obtain the same answer from the Minister of Justice. Is his heart harder than that of the Minister of Public Works? I hope not. Although I made a strong appeal to him, the poor old man was expropriated while he was away in the bush. His poor wife was alone and they sent down there two sheriffs and twenty young men with axes and picks to dislodge or expropriate the poor wooden building of a fisherman. What did they do with it? They broke it in pieces and threw it into the water, and they took his fishing boat and threw it into the water too. Why? Because he had built on a small piece of land that belonged to the Government at the point at Rivière du Loup. Why? Because he would not vote on the other side. I tell the Minister of Justice that that is a scandal and a public shame on his department and to allow such a thing to be done in a civilized country like ours is a double shame. It is German kultur, it is a German conception, as I said to the face of the minister's own representatives at Rivière du Loup. More than that his representative at Rivière du Loup, Mr. Berubè, a Conservative member in the local House, I am sorry to say, told the man that if he would move when winter set in he would allow him to do so. The man promised that as soon as the snow was on the ground he would take his little building away from the Government property. During that time the suit was going on, the fees were piling up and when the snow came the man was sad to learn that he had to pay $72 when he had been promised that if he would remove his property from the Government land nothing would be done. Is that what they call in this country fair play for the poor

fisherman? I leave it to the minister to give me an answer.

Mr. DOHERTY: I am surprised—

Mr. GAUVREAU: Do not be too surprised.

Mr. DOHERTY: I am surprised that the hon. member who feels so strongly for the wrong of this constituent of his, should have been here for something over two months and should never have taken occasion to call my attention to the serious wrongs which he says were perpetrated.

Mr. GAUVREAU: But the wrong is altogether done: you never answered my letter, and I wanted to reach you on your estimates; that is the only way to reach you.

Mr. DOHERTY: If the hon. member did not receive an answer to a letter written to me or to the department, that is a matter which I very much regret. Certainly I have no intention of overlooking the hon. member's letter, and if somebody in the department failed to acknowledge it, I must, on behalf of the department, offer an apology. As to the hon. member's accusations in connection with the manner in which the judgment was executed, I can only say that it is the first time that it has been suggested to me that there was any such harshness. If the hon. member had communicated with me during the time he has been here, I would at least have been in a position to have made inquiries and to have verified the facts. I do not for a moment suggest that the hon. member is not telling the facts as he understands them.

Mr. GAUVREAU I live on the spot and I know.

Mr. DOHERTY: But of course there are other people who live on the spot, and there is the counsel in particular to whom the hon. member refers who conducted the case and who I would be surprised to learn had acted with undue harshness. All I can say is that I will look into the question and will try to be as soft-hearted as the performance of the duties of my position will allow.

Mr. GAUVREAU: I am perfectly content with what has been said by the minister. When he has received a report from his attorney down there, he will be satisfied that what I have said is the truth, the whole truth and nothing but the truth.

Mr. C. A. WILSON: So help him God!

[Mr. Gauvreau.]

Supreme Court of Canada—Contingencies and disbursements, salaries of officers (sheriffs, etc.) books, magazines, etc., for judges, not exceeding $300, law books and books of reference for library and binding of same, $6,500; $9,000.

Mr. GRAHAM: Does this Government pay sheriffs?

Mr. DOHERTY: I understand that occasionally a sheriff is called in to a sitting of the Supreme Court; it is necessary to give a fee to him in that case.

Mr. LANCTOT (Translation): Is there no amount included in those contingencies, disbursements, etc., for furniture, chairs, rugs, etc.

Mr. DOHERTY (Translation): The furniture is supplied by the Department of Public Works. The Department of Justice does not purchase any furniture.

Mr. DEMERS (Translation): Is the sum of $6,500, which is voted every year completely spent every year; I mean are there not certain years when more is spent and in others less?

Mr. DOHERTY: I regret to say that I have not before me the details of the amount spent last year. I shall be glad to furnish them if desired. As I pointed out, this is the amount voted every year; there is no increase.

Mr. C. A. WILSON (Translation): Regarding the item of $9,000 for law books, etc., may I ask the Minister of Justice whether he has come to a decision as to the printing of the report on penitentiaries, of which I spoke to him the other day?

Mr. DOHERTY (Translation): I do not believe that the cost of that report is included in the items, which are for the Supreme Court; but we have already voted an item which comprises the cost of printing this report.

Exchequer Court of Canada—Contingencies—Judges' travelling expenses, remuneration to sheriffs, etc., printing, stationery, etc., and $150 for judges' books, $6,000.

Mr. KNOWLES: I should like some information with regard to the distribution of Exchequer Court reports. These reports of course are printed at the Government Printing Bureau. I should like to know to whom they are distributed free, if at all, and under what circumstances they are printed at the Bureau for the editor of these reports? What is the business contract between the Government and the editor of the Exchequer Court reports?

Mr. DOHERTY: The Exchequer Court reports are printed by the King's Printer and distributed, I understand, by the Department of the Secretary of State. As far as I am aware we do not make any distribution of these volumes.

Mr. KNOWLES: The hon. gentleman says that the distribution is under the Department of the Secretary of State, and then he says that no distribution is made.

Mr. WILSON (Translation): Is the hon. minister of opinion that the Exchequer Court and the Supreme Court Reports should be distributed to the Members of Parliament?

Mr. DOHERTY: I do not believe they are distributed.

Mr. C. A. WILSON: I know they are not, but is it the opinion of the ministers that they should be distributed.

Mr. DOHERTY: I have not given consideration to that question, but it is one probably that deserves consideration. In answer to the hon. member for Moosejaw (Mr. Knowles) I am not in a position to say to just what extent the distribution that is referred to here is done by us, but it is not the general distribution of the reports. I presume they go to the judges and other officials of our own connected with the administration of justice. I can get the information for the hon. member if he desires it.

Mr. KNOWLES: I should like to know about the business contract under which they are printed. The minister is aware that if anybody wants to purchase these reports he has to pay $5 a volume. That money, I presume, goes to the editor of the reports, who without doubt is very well known to the minister. I want to know whether that money eventually finds it way to the Government, or whether the editor has the work done at a nominal price. I should also like an answer to my first question, as to the extent to which these Exchequer Court reports are distributed free. I bought a set of thirteen volumes myself and had to pay $65 cash, although they were printed by the King's Printer, and it goes against my grain to pay $65 for anything printed by the King's Printer.

Mr. DOHERTY: I have always paid for my own volumes. I understand that the Registrar of the Court has an official list of the people to whom they should be distributed, and I shall be glad to procure that list for the hon. gentleman if he desires.

Mr. DEMERS (Translation): Under the item of $6,500 for contingencies, disbursements, etc., I will ask of the Minister of Justice the same question I put to the Minister of Inland Revenue as to the details of this item; I mean is the whole of this amount spent every year; are there not years when more is spent, and some years, less?

Mr. DOHERTY (Translation): Well I shall have a statement prepared of what was spent last year and let my hon. friend have a copy.

Exchequer of Court of Canada—salary of Marshal in Admiralty, Quebec, $333.34.

Mr. C. A. WILSON: What is the name of the marshal?

Mr. DOHERTY: I understand his name is Robert J. Bradley.

Mr. C. A. WILSON: Has he a fixed salary or is he paid by fees?

Mr. DOHERTY: We are voting a salary here. I understand that he also gets fees for certain proceedings.

Mr. C. A. WILSON: Did he get any fee in connection with the Storstad?

Mr. DOHERTY: I am really not in a position to inform the hon. gentleman.

Exchequer Court of Canada—to Chas. Morse for furnishing reports of Exchequer Court decisions to legal periodicals, $50.

Mr. BUREAU: To what periodicals does Mr. Morse furnish these decisions?

Mr. DOHERTY: I understand to legal periodicals, to law journals and things of that kind. I can get the list if my hon. friend desires it.

Mr. BUREAU: No, I do not want the list. But Mr. Morse is the editor of the reports, and I suppose he gets any benefit that is to be derived from the sale of them. I was wondering what the $50 was for.

Mr. DOHERTY: I think the hon. gentleman is mistaken in supposing that Mr. Morse gets the price the reports are sold for. He gets his salary, but that is all. Whatever the reports are sold for is turned over to the Government, as I understand.

Mr. KNOWLES: The minister is mistaken in that. Mr. Morse is the editor of these reports. I wanted to know how much Mr. Morse pays the Government for the printing. Mr. Morse is the editor of these

reports and sells them at $5 a piece. It is not much of a practice to supply them to the law publications.

Mr. DOHERTY: Is the hon. gentleman quite certain that he is not confounding Supreme Court reports with Exchequer Court reports?

Mr. KNOWLES: Quite certain.

Mr. DOHERTY: I shall verify what my hon. friend has said.

Mr. KNOWLES: I have tried to get them myself. As the Exchequer Court reports were printed by the King's Printer, I thought I could pay for them on time and get other advantages, but he would not sell them under any circumstances. He sells them only to the editor.

Mr. DOHERTY: There may be some arrangement for the sale of them.

Administration of Justice—Yukon Territory—travelling allowance of judge, $500.

Mr. LANCTOT (Translation): How many judges?

Mr. DOHERTY (Translation): Only one.

Mr. LANCTOT (Translation): Well, travelling is expensive for him.

Administration of Justice—Yukon territory—Maintenance of prisoners, $10,000.

Mr. LANCTOT (Translation): How many prisoners?

Mr. DOHERTY: The amount that is voted is to cover the expenditure. The prisoners, I understand, average nine at the same time. The expenditure under this head in 1912-13 was $7,946, and in 1913-14 $6,558.

Mr. PROULX: How many jails are there?

Mr. DOHERTY: There is a jail at Dawson and a jail at Whitehorse. I do not know but that the Mounted Police building would be used for the detention of prisoners when necessary.

Dominion Police, $128,765.

Mr. McCRANEY: When will we be allowed to discuss the items on page 35 in regard to the salaries of the chief justices?

Mr. DOHERTY: The items on page 35 are provided by statute, and I am asking no votes for them.

Mr. McCRANEY: I wish to ask the minister if he has had any representations made to him in regard to an increase in the salaries of county court and district judges, and if he has any policy to announce in regard thereto?

Mr. DOHERTY: I have had some representations made this year, but not the usual crop, if I may be allowed to use the expression. It has not been considered that this was a desirable time to deal with the question.

Mr. GERMAN: The expenditures on page 33 of the Estimates are apparently authorized by statute also, and I presume there will be no vote asked for them here. I would like to ask the minister if, in connection with these local judges in admiralty, he has ever considered the possibility of doing away with the system of court procedure at present in vogue which makes it necessary that all actions in admiralty be brought in some of the admiralty courts and whether all these actions could not be brought in the High Court and thus do away with this so-called admiralty work. It is a misnomer, it is quite a useless procedure, it is extra expensive, and the whole legal profession and litigants would be glad to see it done away with. Matters in admiralty could be brought into the High Court to much more advantage to litigants and with much more convenience to solicitors than they can be disposed of under the system at present in existence. I took this matter up with the former Minister of Justice, Sir Allen Aylesworth, and I understood from him that in consequence of some old system which existed in the eastern provinces, and because there were some admiralty judges who were receiving $1,000 a year, it would not be well to make the change at that time. But surely the time has come when we can do away with this effete system of procedure and have all these cases brought into the High Court and disposed of under the High Court procedure. I will be glad if the Minister of Justice would give this matter some consideration because I know full well that it is a question which interests the profession as well as litigants. It would be well to have the old system done away with.

Mr. DOHERTY: I shall certainly be happy to look into the matter to which my hon. friend has referred. It is the first time it has been called to my attention since I have occupied the position which I now hold. I have some recollection of the matter having been brought up under a previous administration. At that time there seemed, at all events in the Montreal district, to be

a very strong desire for the maintenance of the present system. I was not, however, sufficiently concerned with it at that time to go into it with enough care to form any very definite opinion as to whether the system should be maintained or not, but I shall be glad to take the first opportunity of looking into it.

Mr. CARROLL: I want to say a word about the appointment of the registrars of alien enemies in my county. On February 11, I asked the following question:

Is Hyman Benjamin, of Glace Bay, N.S., employed by the Militia Department or by any other department of the Government? If so, what are his duties, and what is his salary?

The answer is that he is "not in the employ of the Government." I knew that this young man was in the employ of the Government, and on March 17 I asked:

1. Who are the registrars of alien enemies for the riding of South Cape Breton, N.S.?
2. What is the salary paid to each?
3. What assistants have they got, and what are their names and salaries?
4. What are the names of the interpreters in connection with the work, and what are their salaries?

Mr. Casgrain (for Mr. Doherty):

1. H. C. Moseley.
2. $200 per month.
3. D. Nicholson, $100 per month; A. D. Gillis, $100 per month; B. Morrison, $30 per month.
4. H. Benjamin, $75 per month.

The registration of alien enemies in my county is, in my humble opinion, not conducted in a desirable manner. Under the Order in Council of the 24th December, 1914, the city of Sydney was made a registration district, and it is in that district the the persons mentioned in the answer of March 17 are acting. Until the appointment of Mr. Moseley to the city of Sydney district at $200 a month, the work was being done all through the county of Cape Breton, including all the mining towns as well as the city of Sydney, by Mr. D. A. Noble, who is the head of the police force of the Dominion Steel and Coal Company. Mr. Noble and his assistants were doing this work to the entire satisfaction of Colonel Sherwood, chief of the Dominion Police, and they were doing it without pay. When it came to the appointment of a registrar under the new regulation, Mr. Noble made application, but he was told that while he had been doing the work well the position was going to some one else, and witn that I cannot find fault if the Government so determined. But if the registrar, who has his jurisdiction limited to the city of Sydney, is entitled to receive pay, surely Mr. Noble, who had spent money out of his own pocket in connection with his duties, and his staff, were entitled to some recompense. Mr. Noble is, as a matter of fact, doing the registration work in the county of Cape Breton to-day, outside of the city of Sydney. Mr. Noble and the others were perfectly willing to do this work as loyal citizens, without compensation, but if the department appoints a registrar under salary, surely Mr. Noble and his officers are also entitled to the same treatment. This young man, Hyman Benjamin, against whom I have nothing to say, is getting $75 a month as interpreter for Mr. Moseley, and that is looked upon as a joke down there. He is competent to speak English and Yiddish, but he does not speak German or Austrian, and, as a matter of fact, any person who lives there will tell the minister that he is not looking after these duties at all, but that his work is in another direction. I do not wish to be personal, but I would ask the minister to investigate this. When I put a question on the Order Paper, asking what assistants Mr. Moseley had, I was under the impression that Sergeant Stephen Black of the city of Sydney had been Mr. Moseley's assistant since the office was opened, but that information was not given in the answer, although I believe it is correct. When in February last I asked if Benjamin was in the emplpoy of any department of government, I got the answer he was not, and when, having put the question in another form, I was told he had been in the employ of the Government since January 3, such a reply makes one suspicious. I have no objection to officials getting fair remuneration for their services if they do the work, and I have always maintained in this House and elsewhere that civil servants were entitled to a fair salary, but I do object to men being paid for ostensibly doing work when they are not capable of doing that work. I also object to a man getting a salary of $200 a month for doing work which had been done up to the 3rd of January for nothing by others, and who are still doing the same kind of work in the county of Cape Breton and getting nothing for it. I submit this matter to the Minister of Justice in good faith. Mr. Noble is not looking for pay, but he feels that if Mr. Moseley is entitled to $200 a month for looking after alien enemies in Sydney, and the work being practically completed by Mr. Noble on the 3rd of

January when he left that office, that he is entitled to compensation. I have no reflection to cast upon Mr. Benjamin, of Glace Bay; he is a nice young gentleman, but he is not qualified, and if he were he is not doing the work he is paid for; he is engaged in other work the nature of which I do not wish to make public. These matters have been brought to my attention several times by persons of both political parties in the county of Cape Breton, and I submit them to the minister.

Mr. DOHERTY: As to the error which seems to have occurred in the answer as to Mr. Benjamin being employed in any department of the Government, I can only explain it by the fact that the question as first put specially mentioned the Militia Department, and attention was not called to it as having any reference to the Department of Justice. When the question was put to the Department of Justice, it was answered correctly, which shows, of course, that there was no intention to mislead in any way. Mr. Noble, under the direction of the Chief Commissioner of Police, did do very considerable work, under the Order in Council first passed, but later on, when the Order in Council establishing a system of registration officers became effective, it was represented to us that in this district of Sydney there was a very large number of persons of alien enemy nationality, and that there was necessity for establishing a registry office, taking in the whole district. Not very long after that we ascertained, as the hon. member states, that Mr. Noble had been acting for the greater part of that district, and we then restricted the jurisdiction of the registry office to what we believed to be a portion of the district that had not already been dealt with by Mr. Noble.

4 p.m.

Mr. CARROLL: That is the city of Sydney?

Mr. DOHERTY: Yes.

Mr. CARROLL: Mr. Noble had done exactly the same work at Sydney as he has been doing throughout the county.

Mr. DOHERTY: The purpose was to restrict it to that portion of the district which we understood had not been fully attended to, but there may have been a misunderstanding about that. I do not know what arrangement was made between Commissioner Sherwood and Mr. Noble, but I shall inquire into it, and I can assure my hon. friend (Mr. Carroll) that there is no desire to avail ourselves of the services of anybody without paying proper remuneration. The representations made to me are to the effect that Mr. Noble's work was well done. I think I may say that the work in that registration district is practically completed, and that it is probable it will not continue very much longer. As to the competency of this young gentleman referred to by my hon. friend, this is the first time my attention has been called to the matter. When we adopted the system of appointing registrars, we asked suggestions from the military officers commanding, and I think that was done in the Maritime Provinces. We then asked the registrar to select his assistants, and under that system it may be—and I have no doubt the hon. member is satisfied it is so—that unfortunately the gentleman selected for the position he referred to is not competent. I regret very much if it should be so. I shall inquire into the matter and if the facts are as stated I shall certainly take means to rectify it.

Mr. CARROLL: The same work had been done by Mr. Noble in the city of Sydney until the passing of this Order in Council and afterwards until the 3rd of January, as had been done before. The alien enemies are thickest in the mining districts, such as New Waterford, New Aberdeen, Dominion and Bridgeport. There were more alien enemies in New Waterford than in the whole city of Sydney. It was a surprise to the people of Sydney generally that there should be a register established at Sydney, where Mr. Noble had done all the work as well as all that had been done in the other mining districts.

Mr. MARCIL: Can the minister give us an idea of the number of alien enemies who have been interned, where they have been located and what work they have been put to, if any?

Mr. DOHERTY: The camps and stations where the aliens are actually interned are at Halifax, Quebec, Montreal, Toronto, Kingston, Petawawa, Spirit Lake, Kapuskasing, Brandon, Lethbridge, Vernon and Nanaimo. In addition to these, two camps have been organized—one in the Port Arthur district for 800 prisoners and one at Amherst for 500 prisoners of war now on the way from Jamaica. The total number interned at the different places

that I have enumerated is 2,752. The prisoners in Montreal, who number only 100, are not at work; they are being detained there for the present, getting ready to be moved on.

Mr. MARCIL: Are they in the old jail?

Mr. DOHERTY: No, they are not in the jail at all. No prisoner of war that I know of has been put in any jail building. They have been detained—I might almost say in a luxurious building, but at all events, in a building that was provided for the detention of immigrants on St. Antoine street, Montreal. It is a new building, and we have endeavoured as far as possible to provide for the comfort of the men. The three principal camps are now Petawawa, where there are 573 men, Spirit lake on the Transcontinental, in the province of Quebec, where there are 683, and Kapuskasing in the province of Ontario, where there are 438. At Brandon there are 246, at Lethbridge 120, at Vernon 68, and at Nanaimo 97. At Spirit lake and Kapuskasing the men are at work clearing land. The respective provinces of Ontario and Quebec agreed to give to the Department of Agriculture a tract of land in each case of 1,000 acres or thereabouts, which is ultimately intended to be used as a model farm. We have established a camp at each of those two places, and the labour is being utilized in the clearing of the land. Furthermore, we look forward to quite a number of those people settling, under the ordinary provincial laws providing for the taking up of homesteads, in the neighbourhood of the particular locations. It seems to us and it also seems to the provincial authorities that, handling the matter in this way, we are doing a benefit to the locality, a more immediate benefit to the province and an ultimate benefit to the country generally.

Mr. CARROLL: In regard to the matter of which I was speaking before, Colonel Ingram was registrar at Sydney, and before he went to the front, he had as his chief assistant Bertram Ingram. Mr. Moseley was instructed to keep on the staff that Colonel Ingram had there. He kept them all on but Mr. Bertram Ingram, Colonel Ingram's assistant. After Mr. Moseley had been in office some days, Bertram Ingram was advised by the department that his services were no longer required, and that another gentleman by the name of Gillis, a quite capable man, was put in his place. Why were Mr. Bertram Ingram's services dispensed with ?

Mr. DOHERTY: There was no particular reason. As I said a moment ago, we adopted the policy of allowing the registrar to secure his own assistant. Colonel Ingram was the first registrar, and the gentleman referred to was a relative of his. There is no reflection in that at all. When Colonel Ingram went to the front and his position became vacant, Mr. Moseley was appointed. I was informed that Mr. Moseley was allowed the privilege of appointing his own assistant. Those positions are not considered as permanent, because it is only temporary work. At the outset, it seemed to us that for this temporary work, if the gentleman were a suitable person to be appointed as registrar, probably the most satisfactory way of getting the work done would be to allow him to appoint his own assistant. The functions of the office will be terminated very shortly now. The termination of Mr. Ingram's appointment was due to the fact that Mr. Moseley coming in, availed himself of the privilege given to him of securing his own assistant.

Mr. CARROLL: I understood Mr. Bertram Ingram got his dismissal through the department at Ottawa.

Mr. DOHERTY: I can ascertain that. The matter came before me in some connection. If I am not mistaken, the hon. member or some one else asked me a question on the subject. Speaking from memory, I may say that, Mr. Moseley having communicated to us his action in the matter, we, who had been paying the salary of Mr. Ingram, felt it proper to communicate to him the fact that a change had taken place.

Expenses of litigated matters connected with the Department of Justice, $13,000.

Mr. GERMAN: The creation of the office of Solicitor General of Canada was the result of a desire to avoid the payment of large fees to outside counsel in connection with the business of the Department of Justice. When Sir Charles Fitzpatrick was Solicitor General, he took briefs for the Crown in the Supreme Court and in the Exchequer Court, and he did save a considerable sum of money each year during which he held office as Solicitor General. Nowadays, however, the Solicitor General does not take briefs in court or attend to the legal business which was had in view when the office of Solicitor General was first established. I am not blaming the

present Solicitor General any more than the Solicitor General under the former Government, but it is my opinion that the whole object of the establishment of the office of Solicitor General has been overlooked. The position has become a political one. It is a necessary position; the Solicitor General may have duties to perform in connection with the executive affairs of Government, but the office does not exist as a department of Government in the way that it existed when it was first established. The idea that the Solicitor General should take briefs for and act, one might say, as senior counsel for the Government, thus effecting the great saving to the Treasury of Canada which was the object of his appointment. I should like to know whether we are ever to return to the original conception of the duties of this office, or whether the Solicitor General is to continue as a political appointee and not as a useful member of the Government?

Mr. DOHERTY: If the hon. gentleman had kept as close an eye on the Solicitor General as he would have us to understand he did, he would have been aware that the Solicitor General has attended to quite a number of important things for this Government, and I am glad to have the opportunity of recognizing his valuable services in that regard.

Mr. GERMAN: In what cases?

Mr. DOHERTY: We will ask the hon. Solicitor General to give a list of them, if the hon. gentleman desires it. The hon. gentleman should not have spoken quite so soon without being certain of his information. I think it would be perfectly fair to point out also that since the office of Solicitor General was originally established, there has been a very considerable increase in the work to be done in connection with the administration of justice in the different departments. If one looks at the increase in the number of applications for release under the Ticket-of-leave Act, one will realize at once that there is a great deal more than one man's work to be done in that connection. I do not think I make any mistake in saying that within the last three or four years the increase has been from 75 to 100 per cent—more nearly 100 per cent than 75. In that connection the Solicitor General has rendered most valuable service, and wherever else there may be room for criticism in connection with the department, I think the hon. member selected certainly the least vulnerable point when he selected the Solicitor General for the subject of his attack.

Mr. GERMAN: Surely the hon. Minister of Justice does not suggest that the high capabilities of the Solicitor General should be devoted almost exclusively to considering applications for tickets of leave. A junior clerk could attend to that part of the work.

Mr. DOHERTY: The hon. member will allow me to differ from his opinion in that respect. I think there is no more important work in connection with the Department of Justice than the matter of advising His Royal Highness with respect to the exercising of clemency. I am glad to have the abilities of the Solicitor General devoted to it, and, besides, I myself, have always felt it my duty to give quite a considerable amount of time to the matter.

Mr. MARCIL: Will the minister tell the committee something about the methods employed at present in connection with the ticket of leave system?

Mr. DOHERTY: In dealing with tickets of leave I do not think it is possible to lay down any absolute rule that any convict who does a particular thing or things will get a ticket of leave; one has to be guided very largely by the circumstances of each case. One important factor in determining whether the crown should be advised to exercise clemency is whether the party has one or more offences to his charge. The conduct of the man while in prison is a factor, though, perhaps, not as important a factor as the one which I have just mentioned. The circumstances of the case are reported to us by the judge before whom the applicant was tried; sometimes we have the advantage of reports from the prosecuting counsel or from some other persons who are in a position to give us valuable information with regard to the particular circumstances of the case. Then we have the services—and they are very valuable—of the parole officer, who in a large number of cases makes particular inquiry as to the antecedents of the person concerned and as to circumstances connected with his offence that may not have come out at the trial. We endeavour to give in each case the proper weight to each one of these considerations. Of course, the fact that a man is a first offender is in itself a consideration of very great importance.

We have to consider the period of time for

which the man has been sentenced, the period he has served, and so forth. I think it would be difficult to lay down a policy on the subject. The policy that we have tried to follow involves careful examination of each particular case, and in each particular case we endeavour to give our best consideration and soundest judgment to those circumstances which make for or against the exercise of clemency.

Mr. MARCIL: Is it the practice of the department to give a ticket-of-leave after a certain number of years to a man under a life sentence?

Mr. DOHERTY: We have given tickets-of-leave to men who have been under life sentence. In that connection of course we have had to take into consideration all the different circumstances to which I referred a moment ago. I do not know that there was ever an absolute policy that a man under a life sentence should under no circumstances obtain a ticket-of-leave. I do not think there has been any change from the practice that prevailed before we came into office.

Hon. ARTHUR MEIGHEN (Solicitor General): I did not know whether the path of error that had been blazed by the hon. member for Welland (Mr. German) was to be followed by other hon. gentlemen opposite. I have had reference to the Act establishing the office of Solicitor General, which was passed in 1889 I believe, and have noted the purposes for which the Act was passed and the duties there laid down on the incumbent of the office. The duties are simply described as "to assist in the work of the Department of Justice." Surely it will be manifest to the hon. member for Welland that there are many ways in which that work can be assisted besides taking part in the litigious work of the department I observed my hon. friend to say that the practice which was established in 1889 of the Solicitor General taking cases for the Government into the courts of Canada had fallen into disuse and become utterly extinct. From what information I have I am very much disposed to agree. I have understood that it became extinct, like many other good practices, under the late Government, and I am of the opinion the hon. member for Three Rivers (Mr. Bureau) will confirm what I say in that regard. However, it has met with a revival. Since I have had the honour of holding that position and have had time, I have endeavoured to the best of my capacity to do some service for the department and for the country in the way of conducting cases.

Mr. DEVLIN: Did you win any cases?

Mr. MEIGHEN: I will answer the hon. member for Wright (Mr. Devlin). The late Government, in the course of their conduct of affairs, took occasion to expropriate certain property near the city of Winnipeg. The late Government made an offer of a certain sum for the property, but it was refused by the owners. The Government entered into no negotiations, as a prudent man would have done, with a view to purchasing the property—and I believe it might have been purchased then—and, as a consequence, a heavy problem devolved upon this Administration, namely, the settlement of the damages for that property. It involved a claim in the Exchequer Court against the Government of Canada—the largest claim, I think, that has ever been made against the Government. It involved a suit that in length of time and legal difficulties involved will compare very favourably, I think, with any suit that has ever been brought in the Exchequer Court. Necessarily there would be a judgment against the Government but perhaps it would satisfy even the hon. member for Wright himself if he succeeded in securing a judgment which was only about 5 per cent of that demanded by the complainants. So that if he considers a 5 per cent judgment against the Crown a successful issue on the part of the Department of Justice, then I can claim a success.

Mr. DEVLIN: In other words, you lost the case.

Mr. MEIGHEN: In other words, the hon. member for Wright holds that it is the duty of the Crown to take the property of individuals and pay nothing for it; that unless the Department of Justice succeeds in enabling the Crown to defraud the people of this country, the Department of Justice loses its case. But that is not the attitude we assume. We believe we got a judgment according to the law and a fair judgment; so successful, indeed, that the other parties to the suit have entered an appeal and notified us that they purpose proceeding not only through the Supreme Court of Canada but to the Privy Council in England. We do not feel so badly over the judgment that we have appealed against it. There have also been other cases, but I need not go into them in detail. I do not think the course we have pursued is under challenge. I

know the hon. member for Welland (Mr. German) is now convinced that the very good practice that was once in vogue has been revived under this Administration. I know that he regrets he did not make his complaint when there was cause to make it, and when he might have done a service to his constituency and to the country. The other work, as the minister has stated, has grown at a great rate. Indeed he has underestimated the rate at which the applications for parole have proceeded. They are now more than double what they were in October, 1911, and are still increasing. The number that daily comes before us for adjudication is about fifteen, and that of course occupies some little time. At all events it will be my stern endeavour to live up to the duties imposed upon me to the best of my ability, and I trust that if I set a good example in that regard the hon. member for Welland, when in good time he reaches this post, will strain his energies to the uttermost to follow the same creditable course.

Mr. GERMAN: Rather than regretting that I brought up the question I am rather pleased that I did so, as I can now more strongly justify the assertion that I made. Whatever the statute may say as to the duties, the fact remains that the position of Solicitor General was created for the reason that I stated so much legal work was being done by outside counsel that it was thought in the interests of the country that a Solicitor General should be appointed to act on behalf of the Crown in all cases which came before the Supreme Court or the Exchequer Court. The salary of the Solicitor General was fixed at $4,000 a year, he being also a member of the House with a sessional indemnity of $1,500, as it was then. But this Government has raised the position of Solicitor General to the dignity of a minister of the Crown, with a salary of $7,000. Is not that correct?

Mr. DOHERTY: I think the hon. member is mistaken again.

Mr. GERMAN: Is it still $4,000?

Mr. DOHERTY: I think it is $5,000, as it always was. We have not raised it in any event.

Mr. GERMAN: Very well. The Solicitor General has not indicated any cases that he has conducted in court except the one in connection with the expropriation of land in Winnipeg. The duties of the Solicitor General were to be to take cases in court for the Government and so relieve the Treasury from the payment of large counsel fees to outside counsel. These counsel fees are still being paid and are continually increasing, and the Solicitor General at the present time is not performing the duties for which he was originally appointed, that is, to take cases in court and to look after the business of the Government in court.

Mr. DOHERTY: I can only express my regret that Parliament did not prescribe as the hon. gentleman says was the intention. That may have been the intention of my hon. friend, but Parliament left it to the discretion of the Department of Justice how best the services of the Solicitor General might be availed of.

Mr. C. A. WILSON: How many cases has the Solicitor General pleaded since his appointment, and in what courts?

Mr. MEIGHEN: The Department of Justice has under review continually a very great number of cases in very many of which the Solicitor General himself takes a part, if not in the actual conduct of the case in court, in the preparation of the case and in the various legal discussions that necessarily are entailed. At the present time I have under my actual conduct, I think, four distinct cases. I do not interest myself in all cases. I do not think it is within the capacity of any man to interest himself in all.

Mr. C. A. WILSON: Supposing the Department of Justice has a case in the Exchequer Court, the Supreme Court, or the Privy Council, who is to fight the case before the judges?

Mr. MEIGHEN: Usually the Deputy Minister of Justice.

Mr. BUREAU: The Solicitor General seems to credit me with having locked the door in the Solicitor General's office and closing up business when I went in there. When I left, I did. I am not going to enumerate or go into details, I shall just refer him to Mr. Justice Cassels for information as to how many cases I took in the Exchequer Court.

Mr. CASGRAIN: We shall have him before the Bar of the House.

Mr. BUREAU: Of course you cannot ascertain this from the records, because the

name of the Attorney General appears on the record in every case.

Sir WILFRID LAURIER: Since the Solicitor General is so energetic—and I know he is energetic in whatever field he is working—I would bring to his attention the case to which I have already referred twice during the session—those of the landowners at Valcartier who have not yet been paid the money due them in connection with expropriations. The Militia Department informed me the other day that all the cases which have not been settled have been referred to the Department of Justice. I brought to the attention of the House a letter from the solicitor of several of these people whose lands had been expropriated and who have not yet seen the colour of the money of the Government; I brought up letters asking why the Government, since they have not paid, cannot institute proceedings at once. The first letter was sent to the Government on the 9th of November, but on the 10th of this month no process had been issued. I bring these facts to the attention of my hon. friend, in the hope that he will take this matter up himself and have it attended to at once.

Mr. MEIGHEN: I shall be very pleased to look into the matter in the department. I trust, if the result is a satisfactory settlement, that my right hon. friend will not follow the example of the hon. member for Welland and complain that it is not taken into court.

Sir WILFRID LAURIER: That is not very satisfactory. This is the third time I have been told by occupants of the Treasury benches that they will be pleased to look into the matter.

Mr. DOHERTY: This time I might follow it up. This minister is pleased to say that he has been very pleased to look into the matter, and has given instructions that it be proceeded with so far as the papers are in his department and without any delay whatever, and that it be verified whether all the papers have come or not. I was not present when the right hon. gentleman raised the question the last time. I had the advantage of seeing his observations in Hansard, and I gave those instructions. My hon. friend the Postmaster General says that a number of cases have been quite recently settled. That would be done through the Department of Militia.

Sir WILFRID LAURIER: My complaint was that these cases should have been settled not recently but long ago, and it has been simply by calling the attention of the House and the Government to the fact that at last something has been done.

Mr. DOHERTY: I am not in a position to control precisely what matters did come to our department for action; but I can say that when they did come, in some of the cases it was found that there were difficulties with regard to the titles that had to be cleared up. Before the right hon. gentleman raised the question my attention was called by a memorandum to the fact that the titles of some of these parties, ostensible owners, required to be looked into.

Sir WILFRID LAURIER: The cases I drew to the attention of the House were not delayed on account of insufficiency of title, but of disagreement as to the amount to be paid.

Mr. BUREAU: Has the minister any personal knowledge of an information taken to expropriate land at Nicolet for a wharf? I read some time ago in the Star that the sum of $450 had been offered to the Episcopal corporation of the diocese of Nicolet for a certain piece of land which had been refused; that proceedings had been instituted by the Crown, and had come in conflict with certain laws or canons of the church which put the Attorney General in the position of a man who would be excommunicated if he proceeded with the case?

Mr. DOHERTY: I need not express the intense alarm with which an intimation of possible excommunication coming from such a high ecclesiastical authority as the hon. member for Three Rivers inspires me. I am all the more terrified that it comes at the very outset and for the first time from him.

Mr. BUREAU: It came from the Star, your organ, which is a higher authority than I am.

Mr. DOHERTY: I have not the advantage of controlling that particular twinkling orb. I might say that I am not aware that any suggestion such as the hon. gentleman indicates has been made; it has not come to my personal knowledge. My recollection is that an effort was made to secure a property, but as there was some objection to it being taken I understood that consideration was given to the possibility of providing an

equally convenient wharf at another place. We would seek, in locating a wharf in any locality, to place it where it would be most suitable and convenient and give rise to the least inconvenience to the people of the district.

Mr. BUREAU: I do not want the minister to lead the country and the House to believe that I am taking the lead in this case and acting as an ecclesiastical authority.

Sir WILFRID LAURIER: They would not believe it.

Mr. BUREAU: I hope they would not believe it. I feel sorry for the minister, coming down from the bench and then being excommunicated. My authority is the Star. I think I can produce the clipping.

Mr. DOHERTY: I am not excommunicated yet. I will inform him when it comes.

Expenses under the Pecuniary Claims Convention with the United States, $25,000.

Sir WILFRID LAURIER: I would ask for some information upon that. Have some these claims been settled?

Mr. DOHERTY: There has been adjudication upon a certain number of claims but I am not aware that there has been any actual settlement or payment made. It is anticipated that when a number have been decided there will be a settlement.

Penitentiaries—Kingston, $210,600.

Mr. EDWARDS: The last report of the hon. Minister of Justice (Mr. Doherty) is for the year ended March 31, 1913. I regret that the report for the fiscal year ended March 31, 1914, is not before us; therefore, I will have to take what is available. The report which I have in my hand gives the population of the various penitentiaries in Canada as 1,970. The population, I presume, has gone up to the 2,000 mark within the last year. It is worth noting that this report states that the increase in the number of convicts in our penitentiaries in the last ten years has been 56 per cent. It is also worth noting that the increase in the number of Canadian-born convicts in the last decade is only 10 per cent. I would like to call the attention of the committee to the fact that taking the convicts in our various penitentiaries per 10,000 of each nationality, the number is only 1.75 for Canada and 8.7 for the United States and 33.3 per cent for Italy. The figures are to my mind very startling. I also want to direct attention to the fact that there are in our various penitentiaries 229 convicts under 20 years of age or about 10 per cent of the total population of the penitentiary. There are 875 convicts between the ages of 20 and 30 or a little over 44 per cent; 55 per cent of the present population consist of convicts under 30 years of age.

The increase in the number of our convict population seems to me to indicate beyond any doubt that the system which does at present, and has for years, prevailed in regard to the administration of our penitentiaries whether under the late Government or under the present Government has been a failure. Some weeks ago I placed a question on the Order Paper asking for certain information in regard to the penitentiary at Portsmouth. The answer to this question would seem to me to be an endeavour to convey the idea that things at the penitentiary at Portsmouth had very greatly improved in the last three months or since the investigation which was conducted a short time ago. I believe that there has been improvement in one or two respects at least. For instance, I do not think there have been any insane convicts subjected to the tubbing which had prevailed to a certain extent previous to the investigation. The minister says himself, in answer to one of my questions, that there has been no hosing of convicts since the investigation and that it is under consideration as to whether it will be done away with or not. But, Mr. Chairman, notwithstanding one or two changes of this character, I think that the general conditions prevailing in that institution—and I dare say the conditions are very similar in the other institutions—are very much the same as they were before the investigation was held. I regret to express the opinion that, if that is true, it is true largely because the commission appointed to investigate did not investigate as thoroughly as it should have done. In order that the committee may understand that there is a general opinion throughout the country that conditions are not what they should be, I am going to quote at some length from editorials in various papers published in this province and in the province of Quebec. I shall quote from papers on both sides of politics. The Kingston Standard, Montreal News, Toronto Globe, Toronto News, Hamilton Herald, Hamilton Spectator, London Free Press, Ottawa Free Press, London Adver-

tiser, and others, have taken up the matter and with one accord they condemn the existing conditions and deplore the delay in righting those conditions. I want to place on Hansard some editorial opinions from some of these papers—and let me say that these editorial utterances were published just a short time before Parliament assembled this year and long after the report of the investigating committee was brought down. The Kingston Standard says editorially:

So long as sick men are treated more like animals than like human beings, it can scarcely be said with truth that they are receiving justice in the fullest and largest sense of the word.

And again:

The stone pile still holds out—that infamous place of refined torture where men are not only breaking stone but are breaking their hearts as well—a place where the finest intellects are stunted and finally deadened and where hopes are blasted and buried for ever.

And again:

As a matter of common humanity it desires to emphasize that the sooner action is taken the better.

The Toronto Globe refers to:

The barbarous and indefensible treatment of prisoners in the Portsmouth penitentiary for a year after an official report made the public familiar with what was and is being done in their name and with their sanction.

Again:

On every citizen rests the responsibility of seeing that the disgraceful conditions disclosed by the inquiry at the Portsmouth penitentiary are remedied.

Again:

It is impossible to believe that the public are indifferent to appeals against the degrading, brutalizing, disheartening processes that stunt the mind as well as cripple the body. The stone pile is still there a monument to governmental incompetence. The colossal stupidity of the men on whom it imposes as a pretence of productive labour is incomprehensible. It certainly does not impose on the dullest convict. He sees he is not working productively, but is subjected to a dreary and crippling routine that serves to deprive him of the results of effort, dull his senses, dwarf his mind, kill his ambition, and fill him with undying resentment at a cruel and protracted wrong.

Again, from the Toronto Globe:

Restriction of correspondence to one letter every two months is another unexplained infliction. It suggests a determination to prevent the incarcerated from being reached by humanizing influences.

Again, from the Toronto Globe:

The commission dimly comprehended the fact that it was dealing with one of the deepest problems of organized society. It revealed enough to prove the existence of cruel and stupid wrongs against the imprisoned. It is strange and even lamentable that the report has been received in official circles with an almost childish distortion of vision. The feature of disclosure that impressed official authority was not the partial drownings, not the shocking hospital conditions, not the lack of medical attendance, but the fact that some employees had understated their ages when applying for appointments. The treatment of the imprisoned is an accurate measure of the governmental conscience.

Again, from the Toronto Globe:

Some one must champion the men whose sufferings are intentionally inflicted by organized society and whose complaints are unheeded. While such things continue the men on the outside of our prisons are in deep disgrace, whatever may be the verdict of the world on the imprisoned.

The object of Doctor Edwards, and of all who aid in this needed reform, is to end a notorious crime on the part of organized society, not to embarrass or cast reflections on any Government, minister or official.

I want to say that for that last sentence of the Toronto Globe I want to express my thanks. This leading Liberal newspaper of Canada has, I think in that sense, been more just and fair to me than those from whom I might naturally expect fair treatment. The London Free Press says:

It is a reflection upon the humanity of Canada when it is stated that even sick men at this institution are treated without consideration. Apparently the idea prevails at Portsmouth that the aim and purpose of a penitentiary is to break men. Brutality that does not stop short of the inadequate care of the sick; that drives men to the daily task of breaking stones as a punishment and that refuses to the convict all knowledge of his loved ones save once in two months is unworthy of this free country.

The Ottawa Free Press:

The utmost cruelty exists in the administration of the prison hospital at the Portsmouth penitentiary.

The London Advertiser:

While there is much talk about the abolition of capital punishment it is questionable if it would be less cruel to end the lives of some of the men who are sent into Canada's jails and penitentiaries than to allow them to be brutalized and deprived of every fine quality.

And again it refers to the penitentiaries:

As these dreary criminal universities where a man comes out with a higher degree in crime than he could ever secure in the loose unorganized school of the open world.

Again the London Advertiser states:

They (the convicts) should not be handled like delicate pieces of china but they should be given a chance to square accounts and not to be transformed into moral, mental and physical ciphers.

The Toronto News:

Prisoners, it is said, are treated more like animals than human beings. Surely this is a longstanding abuse that should be removed.

The Montreal News:

Our system of prisons is admittedly archaic and improvements competently suggested ought to be made.

The Hamilton Herald:

The evidence taken discloses revolting conditions at that institution—unnecessarily harsh treatment of prisoners as a matter of system, brutalities perpetrated by individual officials, the enforcement of a policy of repression which must have had the opposite of a reformatory effect. There was also disclosed the fact that there had been undue favouritism in the appointment of minor officials and discrimination in treatment against some.

Again:

You will never reform a criminal by cruel treatment. More probably you will succeed only in confirming him in his criminal tendencies.

The above are from very recent editorials, and I have taken them from what I think I may safely call the leading newspapers of this country. Their opinions should, it seems to me, receive very serious consideration. I want to add another extract from the Toronto Globe, which on November 3rd last said:

Many convicts in Canadian prisons are willing to enlist and take their chance in the war rather than serve out the terms to which they have been sentenced. Kingston's recent investigation, although handicapped by the terror and reluctance of ex-convicts, revealed conditions from which an ordinary man would naturally turn to the worst horrors of war without the slightest promptings of patriotism. Torturing, tauntings, goadings, annoyances and the dreary routine with tortures awaiting every overflow of the goaded spirit must create a mental condition ready to welcome any change.

As I have said, these are extracts from leading newspapers of the country. I believe there are crimes which are not recorded on our statute books, crimes of organized society against those who have violated the laws of society. I want to say right here and now that I believe the conditions in our penitentiaries are, to say the least, deplorable. My sole object is to see an improvement in these conditions that will give the men who are
5 p.m. unfortunately incarcerated, a chance to make good in this world. That is my object.

Now, Mr. Chairman, it is quite a while since I first took this matter up. It is over three years since I first drew the attention of the Minister of Justice to the conditions at Kingston penitentiary. It was on the 2nd of December, 1912, that I made certain specific charges against certain of the officials of that institution. On the 25th of August, 1913, 18 months after I had made my charges verbally and 9 months after I had made these charges in writing, a commission was appointed to investigate the charges I had made and the general conditions obtaining in our penitentiaries. Speaking on this subject a year ago, I made my comments in regard to that commission, and I drew attention to certain parts of the evidence which warranted me, I thought, in saying that the commissioners had deliberately falsified and misrepresented the evidence they had taken. I feel so certain and strong of my position in that regard that I would say that if I cannot easily establish from the evidence that was taken that they repeatedly misrepresented the evidence in their report to this House, and in some instances absolutely falsified the evidence in that report, I would be willing to resign my seat in this House and retire from public life forever. That is, at least, an indication of how certain I feel in making that very strong statement. I shall not go over in detail the various instances to which I referred last session, but there are some things to which I want to refer, and to which, in justice to myself and to my object, it is my duty to refer.

Mr. C. A. WILSON: Will the hon. member be good enough to give the names of tl ese gentlemen who have falsified the evidence ?

Mr. EDWARDS: The names of the commissioners, they being the gentlemen to whom I refer, are: G. M. Macdonell, J. C. Downey, and Dr. Etherington.

Mr. WILSON: Is my hon. friend so certain that the evidence has been falsified and falsely reported by the commission that he is willing to give up his seat in order to support his contention?

Mr. EDWARDS: My hon. friend's understanding is working very nicely. What I said and what I repeat most emphatically is this: that I am so certain that what I say is correct that if I can not make good my statement that the commission repeatedly misrepresented the evidence which they took in the report which they presented to Parliament, I am willing to resign my seat in this House and to retire from public life. That is what I said, and I meant exactly what I said, and I used those words for the

express purpose of impressing upon the House my sincerity in that belief.

The evidence taken before the commission is contained in three volumes of typewritten matter, like the one I hold in my hand. It is not probable that any hon. member would go carefully over that evidence. I attended most of the sittings of the commission at Kingston, and was quite closely in touch with it; but suppose any member of this House wanted to go over that evidence, in what position would he be? The report is comparatively short. Here and there in it the commission refers to the typewritten evidence. Can any hon. member, by reading from the report, refer to the pages of the evidence? He cannot, because deliberately—it seems to me it must have been deliberately—from the first to the last page of the report, where the commissioners refer to the evidence, they omit to mention the page. That is the case all through. I have gone carefully over the evidence, and last session I referred to a good many instances where, in my opinion, the commissioners had deliberately misrepresented the evidence submitted to them. Before I sit down, I will refer to a few cases, but I am not going to refer to the great number to which I referred last session. I want to quote from an editorial in the Toronto Globe, published shortly after the commission started its work. It says:

> All the influences are towards suppression in the Kingston penitentiary investigation. Convicts do not dare reveal unwholesome facts, knowing their helplessness under the men they may expose. Applicants for pardons tell what the authorities want them to and conceal what they want to conceal. On the commission, too, there is an obvious desire to suppress and whitewash; but in spite of all these influences, enough is leaking out to show that a prison is a prison.

The position taken by the Toronto Globe is readily understandable. One can understand how convicts looking for parole and remission of sentence would naturally be under the control of the officials, and that they would not speak out perhaps what was really in their mind. That indicates the difficulty of getting at the facts. The same thing may be said with regard to guards and other under-officials. The under-officials of the institution would naturally be fearful of losing their positions, if they expressed their minds openly; but while this was all quite apparent to me, there was one official in connection with that institution that I thought could be depended upon to express himself freely and honestly. That official was Col. W. S. Hughes, now one of the inspectors of the penitentiary. I am willing to bear any blame that is attached to me for my own sins; but I am getting up in years, and I have come to the conclusion that I am not going to bear those of other people as well as my own. My connection with the whole affair started when Mr. Hughes —or Col. Hughes, as he is now—was accountant of the Kingston penitentiary, and was desirous of becoming warden of that penitentiary. I worked as earnestly in his behalf for that position as any man could work for another. I did not count the number of opponents in working for him.

Mr. C. A. WILSON: Are you sorry for it now?

Mr. EDWARDS: If my hon. friend will possess his soul in patience, he can draw his own inference from my remarks as I go along. I want to say further that in supporting Colonel Hughes for that position, I had pretty good encouragement from many sources. He was supported by a large number of hon. members from the province of Ontario, sitting on this side of the House. He was supported by a number of members from the Ontario Legislature on the Conservative side. He was supported by several Conservative associations passing resolutions. He had been recommended by men high up in the Department of Justice in this country in the past. Sir Charles Fitzpatrick, Sir Oliver Mowat and others, who had been Ministers of Justice in Canada had spoken very highly of Mr. Hughes, and Mr. Hughes had been in the penitentiary in one capacity or another for twenty years. All that was sufficient to warrant me in feeling that he would fill the position of warden very successfully. Mr. Hughes, in the course of his seeking for that position made charges against certain officials of the institution. What he said was largely, though not entirely, the basis of the charges which I made against the deputy warden and against the surgeon, and subsequently against the hospital overseer. His information was corroborated by information given to me by others. When Col. W. S. Hughes was inspector and came before the commission to give evidence, I was very much surprised at the first sentence which fell from his lips in reply to a question from me. He said to me: "I am not going to tell all I know about the Kingston penitentiary."

I was somewhat surprised, and asked him why. He said "I am now Inspector of penitentiaries, and I am not going into details in connection with that institution." Later he went into the box and took the usual oath to tell the truth, and the whole truth. I call attention to the following paragraph appearing on page 7 of the last report of the Minister of Justice:

During the past year—

That is, the year when this investigation was going on.

—the penitentiaries have been subjected to more than the usual quota of criticism. It is needless to state that fair constructive criticism is welcomed and helpful, and receives careful consideration by those engaged in the task of administering penal institutions. There is a class of criticism, however, which is merely the parrot-like reiteration of the mis-statements of officials who have violated their oath of office, or the equally unreliable vapourings of ex-convicts who seek notoriety. Such criticism is unfair and injurious. There is no close season to protect officials from such attacks. They can do so only in their annual reports.

This is signed by the two inspectors, Douglas Stewart and W. S. Hughes.

Mr. DOHERTY: I notice that my hon. friend, perhaps inadvertently, mentions the report as being that of the Minister of Justice. He has, however, pointed out that it is signed by the inspectors who made the report.

Mr. EDWARDS: I thank the minister for the correction. I merely read from the cover of the report, which states that it is the report of the Minister of Justice as to the penitentiaries of Canada. No fault is to be found with Inspector Douglas Stewart in connection with the writing of that paragraph. I have not the slightest doubt but that Inspector Stewart felt that he could have made that language a good deal stronger. But what do hon. gentlemen think of W. S. Hughes signing his name to that report, a man who, more than anybody else and more than all others put together, has violated his oath by giving out information in regard to that institution? Last year I said that in my estimation there was discrimination along religious lines; that, either consciously or unconsciously, favouritism was shown by the deputy warden. What authority did I have for making that statement? I had in the first place the authority of a return which was brought down in the House in answer to a question which I put to the Secretary of State. In this return the information is given that a few years ago seven out of the ten keepers were Roman Catholics, and that of 20 disciplinary officers some 14 or 15 were of that particular faith. That is why I made the statement that it appeared to me that there was favouritism or discrimination. But that was not all. I have in my hand a statement by Mr. Hughes, which he himself prepared for me right here in this building, in room 16, and in which he gives me some information in that connection. He has furnished me also with a list of his various qualifications for the position which he was seeking. He had a letter which, when I first saw it, I thought was a spontaneous outburst of admiration for Mr. Hughes on the part of guards and ex-guards of Kingston penitentiary. Later, however, I found out that the letter was prepared by Mr. Hughes himself; that all the adulation which was therein contained was the work of his own pen. In addition to that, I have certain statements which Mr. Hughes made with regard to officials in the penitentiary. I have been represented as being actuated by improper motives; as going round with a bowie knife in my belt ready to take the scalp off any person not entertaining the same religious beliefs as I do. I am trying to live that objection down; I hope that not many members of this committee hold that opinion of me. However, I am going to give one of the remarks made by an inspector of the penitentiary in regard to one of the officials of the penitentiary; it is in the statement which Mr. Hughes kindly prepared for me. Mr. Hughes says that Rev. Father McDonald, the Roman Catholic chaplain of Kingston penitentiary, in addressing the prisoners in the chapel of the penitentiary, said that " any one who said he was saved outside the church of Rome is a liar, a scoundrel, and a fakir." These are not my words; they are the words which Inspector W. S. Hughes says were used by Father McDonald, the Roman Catholic chaplain.

Mr. C. A. WILSON: Was that written in room 16?

Mr. EDWARDS: It makes no difference where it was written. I have said that it is a statement made by Mr. Hughes, who makes this comment in regard to the statement which he places in the mouth of Father McDonald:

This was spoken from the pulpit in the prison, and should show very plainly where the trouble arose.

Inspector Hughes refers to the mis-statements of officials who violated their oaths

of office, and also to criticisms of the penitentiaries. A certain guard of the name of Smith was suspended for not attending to duty. In his report Inspector Hughes finds fault with officials because of their violating their oaths of office—and it is a violation of his oath of office if an official writes to anybody outside about matters affecting the penitentiary. Inspector Hughes says that Smith got a raw deal in the matter of his suspension. I have other letters from the gentleman, but will not take the time to place them on Hansard. I think that I am justified in letting the committee understand the position which Mr. Hughes has occupied in the past. I have not any particular reason to be proud of the course the commission took; my faith in humanity was not strengthened by their course. It was not until after I came to know and understand Inspector Hughes that I fully realized the import of the words used in one of Shakespeare's plays:

> You have among you many a purchased slave,
> Which, like your asses, and your dogs, and mules,
> You use in abject and in slavish parts,
> Because you bought them.

Mr. Hughes's salary as accountant of the penitentiary was very different from his salary as inspector of penitentiaries. I do not know whether the salary had anything to do with Mr. Hughes's attitude. But I know that a man by his name who a year or two ago was drawing a salary of $1.700 is to-day drawing a salary of $3,700 as inspector of penitentiaries and about $7 or $8 a day as colonel of the 21st battalion. In the course of my remarks last session I had to refer to Deputy Warden O'Leary, Dr. Phelan and hospital overseer Wilson. I made certain charges against those men, and I made those charges because I thought it was my duty to do so. I do not believe that, no matter how earnest and sincere the present Minister of Justice may be in his desire to rectify conditions at the Kingston penitentiary, it will be possible for him to rectify those conditions with those men holding the offices that they do. Others may differ from me in that regard; but I am stating my belief and, holding that belief, I think I should put before this committee certain reasons why I think these men are not fit for the positions which they occupy.

I shall not refer at length to the commission issued to the three gentlemen at Kingston. I have already said that in my judgment it was a mistake to appoint two men or even one man on that commission from the city of Kingston, for reasons which appear to me to be obvious. These men were well acquainted with the officials involved, with the friends of those officials; and it was asking a good deal of citizens of Kingston to expect them to be in every respect entirely fair. I also think it was a mistake to appoint Mr. Downey, an official of the Ontario Government, as the third member of the commission. It seemed proper to the minister to place a five-year limit on the instructions that he gave to the commission. I have said before, and I say now, that I do not think that was fair to me; certainly it was not fair to me as it worked out. The minister may argue that he intended the commissioners to disregard the five-year limit as far as my charges were concerned. The fact remains that they did not see fit to disregard the five-year limit, and I was placed in the unfortunate position of making certain charges which the commissioners would not investigate at all, which they ruled out entirely. I think it would have been a little kinder if it had been intimated to me that they did not want to go into some charges which I had made; in fact, they might have been deleted—left out of consideration altogether. For instance, I made a charge of perjury against Deputy Warden O'Leary. This went away back to sixteen years ago. That charge was never investigated as the commissioners say it was. That was one of the misstatements they made. I say that charge was never investigated. In their report they say it rested only upon the unsupported statement of ex-guard Patterson. That also is incorrect, because before that commission, in the presence of eight or ten people and under oath, Inspector Hughes said that if the deputy were to receive a sentence of three years for every charge of perjury he could prove against him, he would spend the rest of his days behind the walls. That statement was made before the commission. I want to give some additional reasons why I think O'Leary is not a fit and proper person for the position he holds, and why it is not in the interest of reform that he should remain at that institution. I think I suggested some time ago the desirability, so far as the wardens and deputy wardens and certain other heads and officials of our penitentiaries are concerned, that they should be appointed, not as the warden or deputy warden of a certain institution, but as a warden or deputy warden of penitentiaries; and I

would repeat that, in my judgment, it would be advisable, even with the best officers, to transfer them at times from one institution to another. I believe it would have a good effect, as there is a tendency for these men to get into a rut if they remain for a long time in the one institution. I said that Deputy Warden O'Leary had shown evidence of a callous indifference which unfitted him, in my opinion, for the office he held. For instance, he made the remark to a guard that he should let a convict hang, but wind his clock; that was of more importance than anything else. The commission in their report attempted to show that that statement was not correct; but we have evidence in the report, we have the statement of Greer as to what took place. Greer swears that the deputy reprimanded him for being late in winding his clock. When he explained why he was late the deputy passed the remark: "Let the man hang, but wind your clock!" The commissioners read into Greer's evidence something which Greer's evidence does not contain. They say that Greer stated that he was on duty in 1907, and that the prisoner whom he cut down had died two years before that, and that therefore Greer's statement was wrong. That was not fair. Greer in his evidence states that he would not attempt to give dates in regard to that or any other occurrence. He said he was on permanent night duty for eleven months previous to finally leaving the institution; but he said nothing about not being on night duty temporarily at various times. I have an affidavit from Greer which I think I should place on Hansard, because his honour and his word have been questioned by the commission. He says:

I, Samuel Greer, of the city of Kingston, in the county of Frontenac, make oath and say:

1. That I was a guard at the Kingston penitentiary from October, 1895, to September, 1907.

2. I gave evidence before the Royal Commission and was questioned as to an incident that happened during the time I was a guard. I stated that I could not give the date of the occurrence, and could not give any dates for happenings, and had no records of anything that happened while I was on duty.

3. That I was on duty in the asylum at night, and when on my rounds to wind the clock and make inspection, I found a convict named Bishop hanging to the bars of his cell. I went at once to rescue him and succeeded in bringing him to life. The time occupied in reviving Bishop made me late in winding the record clock, and I was asked by Deputy Warden O'Leary why I was late, and I told him I had been rescuing a convict who was hanging in his cell, and he said that if I found any convict hanging again to attend to my clock first and that the convict would not hang while I was winding my clock.

4. I reported this to Chief Keeper Hughes, who is now Inspector Hughes, and he told me that any time I saw a man in danger to save life first at all hazards, and he would see that I was protected.

S. J. Greer.

Sworn before me at the city of Kingston, in the county of Frontenac, this 20th March, A.D. 1915.

Geo. H. Smythe,
A commissioner, etc.

I have also here testimonials from Mr. Hughes, from O'Leary himself, and from ex-Warden Platt, speaking in the highest terms of Greer's efficiency and reliability. If that was only one instance, perhaps it would not be worth citing, but that is not the only instance. Subsequent to that, another guard named Marsh found this same convict attempting to commit suicide.

By the way, you will find corroboration of what I have said in regard to Greer on page 417 of the evidence, and in regard to Marsh on page 658 of the evidence. That information is not given in the report of the commission, but I will give it now. Marsh found this convict hanging. Remembering how Greer had been reprimanded, he left the convict hanging, went out and wound his clock, and then came back and cut him down. I am informed they had considerable difficulty in bringing him to. That is only another instance of the callousness of the deputy. Guard Aiken (page 394) stopped in his rounds to pick up a sick convict who had fallen out of his cot and vomited on the floor. He helped him into his cot, cleaned up the floor, and then wound his clock. This made him late, and he was reprimanded for being late by the deputy, who said that it was not his business to look after the sick convict. I cite these three instances as indicating, to my mind at least, a callousness and indifference on the part of the deputy which unfits him for the position he holds. The minister may think differently, and of course he will act upon what he thinks.

In regard to hosing. A certain cell was constructed specially for the purpose of hosing, that is, the corners of the cell were rounded off so that the victim could not get away from the action of the water. The hose has been used on convicts at different times at a pressure of 60 pounds to the square inch, and I believe that Inspector Stewart said that at St. Vincent de Paul Penitentiary the pressure was even as high as 75 pounds to the square inch. The report

of the commission in regard to this may be found on page 18. It says:

> The victim must cry out for mercy or suffer physical collapse. But as a disciplinary agency it should be ranked with the rack and the thumb-screw, cruel and inhuman.

That is the opinion of the commission in regard to hosing. On page 17 we have this extract from the report: "The convicts who were hosed describe the punishment as terrible." On page 17 Ex-Warden Platt says:

> In his evidence the doctor said he did not like hosing, and he never ordered it again.

He only used the hose once and never used it again. On page 18 of the report Inspector Stewart says:

> The hose succeeds where nothing else will. It never fails to beat an incorrigible convict into submission. Very few men who will not give in in 30 to 60 seconds.
> Q. Is that the most severe punishment?—A. No, I think shooting is more severe.

On page 17, referring to hosing, this commission says that it should be ranked with the rack and the thumb-screw, cruel and inhuman. But on page 24 this same commission, in its desire to exonerate the deputy, says:

> No act of his was revealed that indicated he was either cruel or inhuman.

And yet the deputy is on record as using the hose five times. Hosing is part of the punishment which is allowed under the regulations, and it would not be right or fair for me to blame the deputy for those regulations. Ex-Warden Platt tried it once and never used it again. Apparently he did not like it. The point I am endeavouring to make is this. The commissioners say that hosing, as a means of punishment, is cruel and inhuman and ranks with the thumb-screw and the rack; yet on the next page these same commissioners endeavour to exonerate the deputy from any act of cruelty or inhumanity, although he had actually used the hose in five cases.

Let me refer again to tubbing. The report on page 12 says:

> There was evidence to show that insane patients had been punished by tubbing. An attempt was made to explain away the tubbing as a necessity where the victim were in a filthy condition and refused to bathe. It was made abundantly clear to your commission that the tubbing at Kingston penitentiary was resorted to neither for sanitary nor therapeutic reasons, but as a punishment.

That was in the commission's report. An attempt was made to explain away this tubbing on the ground that it was enforced bathing. A short time ago I placed a question on the Order Paper in regard to both hosing and tubbing. The answer to my question will be found on page 548 of Hansard of March 4 this year. I asked by whose order or direction the act of tubbing insane convicts was carried out. I did not get any answer to that question, but there was what purported to be an answer. It said that bathing was enforced in cases where the convict refused to take a bath. That is not what I asked at all, but that is the answer I got. I further asked:

> Are there any guards or other officials at Portsmouth penitentiary who have assisted in or ordered the tubbing of insane convicts?

To that question I was given what seemed to me a rather remarkable answer—an answer sent, no doubt, from Kingston penitentiary at the request of the minister. The answer was:

> The warden is unable to find any one on the staff of the penitentiary who has any knowledge of tubbing having been used except as before described.

That is an enforced bath. It goes on:

> The following are the statutory declarations of officers who are still on the staff of the prison and who have been, from time to time, in charge of the insane ward:

Then follow four or five affidavits, and let me point this out in regard to the affidavits which were given in connection with the answer to my question. Guard Madden was in charge from the 31st of December, 1907, to 31st of August, 1911. Then we have McConville in charge from July 3, 1911, to September 13, 1911. So the affidavits of these two men conflict, because both Madden and McConville swear they were in charge during the months of July and August, 1911. If you look carefully at the affidavits you will also find that apparently there was no one in charge from May 25, 1913, to July 1, 1913. That time is not covered at all. And further. Apparently there was no one in charge from September 8, 1913, to November 11, 1913. I should also like to call attention to this fact. The warden says that he was unable to find any one on the staff who knew of tubbing as a punishment. In regard to that I would respectfully draw the attention of the warden to Bryant's evidence to be found on page 789. Bryant says he helped to tub. But Madden, who furnishes an affidavit, here says that no such thing took place. Bryant says in his evidence under oath that both Madden and McQuade were

present when this tubbing took place. I also want to refer to Babcock's evidence on page 796, McWatters' evidence on page 804, and Matthews' evidence on page 816, and if the sworn testimony of all these is not sufficient, we might look at the sworn evidence of Dr. Phelan, who said under oath that he had heard rumours that tubbing was taking place in the institution, and had put up a notice that it be discontinued. What does Bryant say in his evidence on page 789:

Q. Who would give that order? A. By the authorities.
Q. Who would that be? A. Either the warden, the deputy warden or the doctor.
Q. Give the names of some of them who were there? A. Mr. Madden was keeper.
Q. Would he be present? A. Yes.
Q. Anybody else? A. Mr. McQuade would be present.

Take the evidence of Babcock on page 796:

Q. Ever see a prisoner put in the tub to give him a cold bath? A. Yes.
Q. Where was that? A. Asylum.
Q. By whose orders? O. Mr. McWatters.
Q. What office did he hold? A. Acting keeper, I think, at the time.
Q. Why was the tubbing done? A. He insulted another officer.
Q. The prisoner had insulted an officer. A. Yes.
Q. Then the tubbing was done for punishment. A. It was.
Q. Who besides yourself were present when the tubbing was done? A. Just the three of us: McWatters, Matthews and myself.

Take McWatters' evidence at page 804. He says:

Do you remember Matthews being with you and Babcock in the asylum on duty together seven years ago?—A. Yes.
Q. Do you remember a convict having insulted Matthews and being subjected to the cold tub as punishment for the insult?—A. Yes, I do.
Q. You would not have subjected him to that kind of treament if it was only for the purpose of making him clean?—A. I would not.

Take Matthews' evidence at page 816:

Q. Were you present when he was put in the tub?—A. Yes, sir, I was present.
Q. Why was he put in the tub?—A. Misbehaviour, of course.
Q. What was it?—A. Well, the misbehaviour was this: he threatened to strike me.
Q. He did not need a bath because of his dirty condition?—A. No.
Q. It was because of what he said to you that he was given a bath?—A. Yes.

Mr. DOHERTY: Would the hon. gentleman mind mentioning the time that happened?

Mr. EDWARDS: Counting back from the date when this evidence was taken, I think he said it was seven years ago. I dare say that the minister has thought that I have been very much misinformed in regard to certain facts, but I think I have had better information than the minister has had. For instance, in answer to my question the other day, it was stated that:

The hose has not been used since May 11, 1913.

If you look at page 823 of the evidence given by Charles Grey, you will see that Grey says that the hose was used in his presence in July, 1913. That shows very conclusively that information supplied to the minister in regard to this matter was not reliable. I also want to call your attention to the fact, in regard to hosing and tubbing of insane convicts, that Dr. Etherington, at the time the commission was holding their investigation, declared that there were two insane convicts confined in the prison isolation. These prisoners should not have been there. There is a ward for them. The evidence also gives us very clearly the fact that a convict was sent from Dorchester to Kingston because Kingston is the only penitentiary where they have, or are supposed to have, facilities for taking care of insane convicts. This man was sent from Dorchester and committed as insane. He was not committed to the insane department of the institution as he should have been, but to the prison. These conditions, I think, call for some redress and some action on the part of the department.

I further charged that the deputy had shown favoritism in assigning guards to the various posts. I gave reasons why I made that charge a short time ago. The commission in their report referred to the evidence of one or two witnesses, as far as favoritism was concerned, and referred to that evidence as if it were all the evidence along that line. Allow me to call attention to the evidence of guards McQuade, Montgomery, Smith, Aikens, Bannister, Bryant, Caughey, Davis, Johnston, Ingledew, Patterson and Inspector Hughes, all of whom swore that the deputy showed favoritism. Consider their evidence, and let the minister, or any other person, judge for himself as to whether the evidence does indicate, consciously or unconsciously, that the deputy did show favoritism, which was not in the best interests of discipline. I charged him with neglect of duty and lack of judgment. Take the case of convict Chartrand. Let us see what Dr. Platt said in regard to that on April 12, 1912. He was warden then. He said:

A convict designated as dangerous and marked for special care escaped under circumstances which force one to the conclusion that well known, important and imperative duties were either neglected or performed in a culpably perfunctory manner.

The minister reflects on " the insufficiency of right surveillance provided " and concurs in the censure of warden and deputy. Where did the deputy show lack of judgment? McConville was in charge during the day time and a man named Smith was the night watchman. This prisoner was marked as one requiring special care. Who was McConville? McConville was a man who formerly had been suspended for being asleep and drunk on duty. The convict who cut the bars in the corridor which enabled Chartrand to get out said before he died that the time he cut these bars McConville was asleep in the corridor. The result was that the escape took place. It was only a partial escape as the convict did not get altogether outside. Smith was the night watchman. Who was Smith? Smith was a comparatively new man who had been reprimanded fourteen times for neglect of duty during a few months, or probably a year and a half, before that. Am I right in saying that the deputy, whose business it is to assign the various guards to their positions, showed a lack of judgment in placing in charge of that particular ward, where there was a convict that he had instructions particularly to watch, a man who had been suspended for being drunk and asleep on duty and another man who had been reprimanded fourteen times for neglect of duty.

I say that in my judgment O'Leary is absolutely tactless. He shows lack of tact in placing boys on the stone pile. He shows lack of tact in permitting men like Travers to have certain privileges which are not allowed to other convicts. A convict comes to the institution—a boy it may be 14 years of age. The deputy warden assigns that boy to his work. Surely, Mr. Chairman, if there is any convict who should receive special consideration it is the young lad of 14, 15 or 16 years of age who, unfortunately, comes into the institution. It is claimed that there is not enough work for all classes. That is very true and it is not to the credit of this Government, nor was it to the credit of the last Government, that nothing was done along the line of recommendations made by the Inspectors Douglas Stewart and G. W. Dawson that more productive labour should be furnished for the prisoners. But, Sir, surely a man of proper judgment, when a young lad like that would come into the institution, would place him in the tailor shop, or the shoe shop, or where they are making the brooms, or at some work where he would learn something. The last place they ought to put him at is the stone pile.

Surely every person will agree to that. I say, Sir, that if there was only one thing connected with the institution which shows the absolute inefficiency and inability of O'Leary for the position he holds, it is the fact that he repeatedly has placed small boys on the stone-pile, which in my humble opinion, furnishes evidence that he is entirely unfit for his position.

I want to call attention to one or two other things that this man O'Leary has done. The prison records show that two convicts named, I think, Taucob and Quinn, were caught by Guard Walsh committing an unmentionable and abominable offence. Now, Mr. Chairman, a crime committed inside the walls of a penitentiary is supposed to be punished as it would be punished if it were committed outside the walls of the penitentiary. The guard did his duty in reporting that crime and giving certain details of it in writing to the acting warden, who, at that time, was Deputy Warden O'Leary, and Deputy Warden O'Leary—you will find this also on record—notwithstanding the denial of these convicts, believed they were guilty of the offence with which they were charged. Although I am not a lawyer, I believe I am right in saying that when a crime is committed inside a penitentiary the person committing that crime is to be taken before a judge and tried. Why was that not done in this case? It was not done, and why? These men, had they been brought before a judge, would undoubtedly have received a sentence of a number of years for the offence they committed, and which was charged against them by the guard, and which the deputy warden said he believed they were guilty of, and yet this deputy warden took it upon himself to act as judge and jury, and he sentenced these two men to a year in the prison of isolation. Is that the proper kind of a man to be practically in charge of that institution? Carlyle says:

Show me the man you honour; I know by that symptom better than any other what kind of man you are yourself, for you show me what your ideal of manhood is, what kind of a man you long to be.

I say, Sir, speaking my own opinion, that Dan O'Leary is not the kind of man I

would honour with that position or any other. The evidence is beyond dispute.

That O'Leary showed a callous indifference even to the risking of human life.

That he repeatedly took part in punishments which the Royal Commission rank with the rack and the thumb-screw, as cruel and inhuman.

That he was either aware of and endorsed the tubbing of insane convicts, or showed his utter incompetence by not knowing of that horribly cruel and utterly indefensible torture being perpetrated under his very eye.

He can get on either one of these horns which to him has the blunter point, but he cannot get rid of both. He says he did not know anything about the tubbing of insane convicts. I say that if he did not know he ought to know or he is not fit for the position he holds, and if he did know he is not fit for the position either.

I charge that consciously or unconsciously he exhibited a favoritism to his co-religionists, which was detrimental to the discipline of the institution, and which was responsible for much of the lack of harmony.

I say that he repeatedly neglected his duty. I say that he allowed special privileges to some and was cruelly exacting with others, and I say that he has shown complete unfitness by his general lack of judgment, in assigning convicts to their work, to wit, putting boys on the stone-pile.

That is my indictment against Deputy Warden O'Leary. I do not care who is appointed Deputy Warden of Kingston penitentiary, but I do say this: that when the warden of that institution is a Protestant, and the warden of that institution always has been a Protestant, I do believe and have so stated that I think the deputy warden should undoubtedly be a Roman Catholic, whoever he may be who is appointed there. But, I think he should be a very different man from what Deputy Warden O'Leary has shown himself to be by his conduct in the past. There is only a minute or two before six o'clock, and I would like to submit a question or two to the minister which he can take up during recess.

At six o'clock the House resumed and then took recess.

The House resumed at eight o'clock.

[Mr. Edwards.]

PRIVATE BILLS.

CONSIDERED IN COMMITTEE——THIRD READINGS.

Bill No. 108, respecting The Moncton and Northumberland Strait Railway Company.—Mr. Webster.

Bill No. 96, respecting The Premier Trust Company.—Mr. Fripp.

Bill No. 97, respecting The Northwest Life Assurance Company.—Mr. McCraney.

Bill No. 84, for the relief of Arthur Ernest Birdsell.—Mr. Michael Clark.

Bill No. 89, for the relief of Thomas Jefferson Moore.—Mr. W. M. Martin.

Bill No. 92, for the relief of Alice Beckett.—Mr. Michael Clark.

Bill No. 98, for the relief of Austin McPhail Bothwell.—Mr. Fripp.

Bill No. 99, for the relief of Agnès Gravelle.—Mr. Fripp.

Bill No. 100, for the relief of Clara Mackenzie Darnell.—Mr. McCraney.

Bill No. 101, for the relief of Thomas Batin Harries.—Mr. Schaffner.

Bill No. 102, for the relief of William John Owen Delaney.—Mr. Porter.

Bill No. 103, for the relief of Edith May Webster Boydell.—Mr. Michael Clark.

Bill No. 104, for the relief of William Robert Delaney.—Mr. Michael Clark.

SUPPLY.

The House in Committee of Supply, Mr. Sevigny in the Chair.

Penitentiaries—Kingston, $979,700.

Mr. EDWARDS: Before recess I had stated why, in my opinion, the present deputy warden of Kingston penitentiary was not a fit and proper person to occupy that position. It is incumbent upon me to make a few references to Dr. Phelan, the surgeon of that institution, against whom I preferred certain charges, which charges were also dealt with before the Royal Commission. I charged Dr. Phelan with having used violent and indecent language. I shall not quote his language, but I refer any person who wishes to read his words to page 389 of the evidence. For evidence in support of that charge, reference may be made to pages 419, 420 and 421, evidence given by guard Redden. In considering the charge of using indecent language, the following questions were put and the following answers given:

Q. What did he (Phelan) say about the conversation that took place between Aikens and himself at the gate?—A. He said I could say I had not heard it, and I told him I could not say that, that I had heard some of it.

Q. Dr. Phelan suggested to you that you should say that you had not heard the conversation?—A. I told him I could not say that because I had consulted him.

Q. You knew there was to be an investigation?—A. Yes.

Q. Did the doctor say there was to be an investigation?—A. He said he understood there were charges made against him.

Q. And what did he ask you to do about it?—A. He did not want me to do anything about it.

Q. As far as that case particularly, he wanted you to say you had not heard it?—A. He said I could say I had not heard it, but I told him I could not say that.

Q. You did not assent to that?—A. No, sir, no.

That was not disputed by Dr. Phelan, who was represented by probably the ablest lawyer in Kingston, Mr. John L. Whiting. I recognize Mr. Nickle's ability, but I guess I shall have to hold to my original opinion. Mr. Whiting is the ablest lawyer in Kingston, and Mr. Nickle is an exceedingly close second. The evidence very clearly indicates that Dr. Phelan was endeavouring to induce Reddin to go on the witness stand and, so far as the matter which was being investigated was concerned he was trying to induce Reddin to withhold his evidence—trying to induce Reddin to perjure himself.

Another charge which I made against Dr. Phelan was in regard to graft. He said he took fees for examining guards to which he was not entitled. Dr. Phelan as physician has certain duties. Among those duties is the examination of any guard appointed, and he is paid a regular salary for doing that. He is not supposed to get any money out of the guard for performing that service. The commissioners in their report at page 25 say:

> Dr. Phelan admits that in four cases he asked for and received a small fee from an applicant for a guard's position as to his physical fitness, and this is a contravention of the statute, as he is not to practise his profession. He says he has not done so for several years. The amount wrongfully taken by him was $4.

The commission have not dealt candidly with that matter. Four cases were proven, they were satisfied that the charge had been proven and requested us not to take up any further time by bringing forward other cases. He does not say and we have no right to conclude that because we had proved he had taken and he admitted having taken $4 from four different candidates that it had stopped with that; indeed, guard Reddin, at page 441 of the evidence, says that Dr. Phelan asked him for a fee when he came. He did not pay the fee, but Dr. Phelan told him that he most generally got a dollar for examination. Now, that may strike some of you as a very small affair, a matter of $3 or $4. The amount was small, but if Dr. Phelan would take money in that way from guards to which he was not entitled, contrary to the statute, he is at least open to the suspicion that he might take much larger fees for doing other things that he should not do. For instance, a suspicion has gone abroad that men of wealth who have become convicts in prison have prevailed upon the prison surgeon to report their health as breaking down under confinement. It has been stated that wealthy men or men who had wealthy relatives have paid prison surgeons, I do not say Dr. Phelan, for reporting them as breaking down under confinement and in that way have induced the surgeons to make representations to the Government that these persons should be liberated because their health was failing and if they were kept in confinement they would die prematurely. In that way they have been released before the termination of their sentences. Take the case of a man named McRea confined in Kingston penitentiary, sentenced for life for manslaughter. He served only nine months of his sentence. He was released because, in the first place, the surgeon of the penitentiary, Dr. Phelan, reported that his health was entirely breaking down. Another doctor was called in from Montreal to corroborate that and the man, after serving nine months of a life sentence, was set free and is at liberty to-day.

I want to refer to another thing: Dr. Phelan's manifest neglect of duty. Rule 52 of the regulations states:

> Upon the arrival of a convict the surgeon shall examine him to ascertain whether he is affected by any putrid, infectious or cutaneous disease whether he labours under mental or bodily defects, and whether he has been vaccinated. He shall report the facts to the warden.

Did Dr. Phelan carry out that rule? He made no attempt whatever to carry out that rule. Man after man was brought before the commission who swore that he had not been examined, until the commission said: "It is no use taking any further evidence on that point." They were convinced that the rule had not been lived up to. Then, take rule 53:

> The doctor shall give special attention to the hygiene and cleanliness of the prison and prisoners, ventilation of the dormitories, workshops and other buildings, and to the water supply and drainage.

No person, after reading even a small portion of the evidence, would say for a moment that Dr. Phelan attempted to live up to that rule. That was the second rule which he openly disregarded. Why, Sir, in regard to the water supply, sixty or seventy men would be working on the stone pile; the drinking water for those men would be in the one pail and only one cup would be provided for them to drink from; and it was clearly brought out in evidence that there were men among that sixty or seventy who had loathsome diseases. One of them had syphiletic sores in the mouth, and still he was drinking from the same cup that was provided for the sixty or seventy others on the stone pile. Yet we have Dr. Phelan in his report saying that so far as the hygiene and cleanliness of the prison was concerned it was all that could be desired. He made reports like that year after year.

Did he attend to his work properly? Look at the asylum. Forty insane patients in the day-time were herded together in one common room—the violently insane and those not so violent all herded together. In this building they had night buckets for the excreta and the stench in that building was simply horrible. If you want further confirmation of the last statement take what Dr. Young says. Dr. Young, assistant superintendent of the Rockwood asylum, at page 10 of the report, testified:

> The physical condition of the patients (in the insane ward) shows the effect of improper diet, insufficient exercice and fresh air.

> Each patient is locked in his cell without proper sanitary conveniences from 4 p.m. to 7 a.m. The door of each cell is simply a grating and there is no provision for the isolation and care of noisy and filthy patients. There is no provision for the proper classification of patients, all of whom are gathered together in a large day-room, the acute with the chronic, the old and helpless with the impulsive and violent, the lucid with the demented.

That is what Dr. Young says. What does Dr. Platt say? In his report of 1908 I find these words:

> The medical superintendent—

That is Dr. Phelan—

> —who is prison surgeon, makes a huried call once a day, Sundays excepted. This constituting the whole care and treatment of the criminal insane.

Let me read an extract from the commissioners' report, page 11:

> Many an unfortunate must have been deprived of a fair chance of recovery by reason of the State's unpardonable neglect. Further we find that the insane inmates have not received the attention which their state demanded and in some instances they have been subjected to unjustifiable punishment.

On page 12 the commissioners place the responsibility for this primarily on the surgeon and the inspector, the surgeon's annual reports giving the impression that the state of the insane left nothing to be desired, and the inspector accepting from year to year the existing conditions without adverse comment. I believe that Inspector Douglas Stewart said that it would not have made any difference if he had made adverse comment, as no attention would have been paid to him anyway. To show that what I have quoted in regard to this matter is absolutely right, let us take an extract from Dr. Phelan's report to the Government. He says on page 31:

> The sanitary condition of the prison for the year has been up to the usual standard of efficiency.

It is a mighty low standard.

> Every effort has been made to leave nothing undone which should be done to carry out the principles on which these important measures are established. The various workshops, dormitories and other departments are carefully attended to as regards ventilation, heating and cleanliness.

And this with 70 convicts drinking out of the same cup, from the same pail, and some of them with loathsome diseases! And yet he says the convicts are carefully attended to as regards cleanliness.

> The water used for drinking purposes was examined during the year, and found free from organic particles which would cause disease.

I wondered if he examined the water in the pail I spoke of a moment ago. He says:

> As usual, the hospital has been kept in a good condition, and always ready for the reception of the sick, who receive every attention, day and night, the directions being carried out most carefully.

Let us see if that is true. On page 17 of their report the commissioners say that there is no effective ventilation in the hospital, no sanitary appliances except an obsolete bucket for excreta, and that the only equipment for operating purposes is an old wooden table, that old books covered with dust lie on the floor, and that the place is generally dirty. The commissioners say:

> Under no conditions are the patients permitted to have exercise in the fresh air nor indeed to leave their cells for any purpose.

Yet the surgeon's report says that everything is lovely, things could not be better, the hospital is kept in good condition, with everything always ready for the reception of

the sick, when the operation is performed on an old wooden table, when dusty books litter the floor, when there is any amount of dirt in the corners! Yet the hospital is in splendid condition and always ready for the reception of the sick. That is what the surgeon says. In that institution for the sick open wounds of convicts have been dressed by convict orderlies who knew absolutely nothing about dressing wounds, who simply pulled out the dirty and rotten batting that was used, and tore off the dressings with their hands and put other dressings on without any antiseptic precautions whatever. being taken. That is the condition. Convicts suffering, lying awake in pain at night, and, as the evidence clearly shows, no person going to their assistance. The hospital overseer, H. W. Wilson, who was appointed by this Government, has refused time and again to get out of his bed to attend to the wants of sick convicts. It was amply proved before the commission that he refused to get out of his bed, although he had been provided with a room in the hospital so that he might be within call in case of emergency.

I think there have been some changes made in that institution since the commission held their investigation, and if I had anything to do with bringing about that investigation—I think possibly I had, at all events I am credited with having had something to do with it—I am very glad that we have succeeded at all events in stopping the tubbing of insane convicts. If I have done nothing else, I have cause to be gratified.

Let me now summarize in regard to Dr. Phelan. Did he use violent and indecent language. He admits that he did. That charge is proved. Is a man who would use violent and indecent language in speaking to one of the guards the proper kind of person to be surgeon of that institution? Did he try to induce a guard to perjure himself? Look at Redden's evidence on page 420 and you will see that clearly proved. Did he graft by taking money that did not belong to him, whether it was $4 or only 4 cents? He admits that he did. Did he persistently day by day and month by month disregard rules 52 and 53? The commissioners say that he did disregard these rules. Did he give only a small part of his time to the inspection, diagnosis and treatment of sick convicts? The warden of the penitentiary says that he did. Is it true that many an unfortunate insane convict was deprived of a fair chance of recovery because of Dr. Phelan's unpardonable neglect? The commissioners, on page 11 of their report, say that many an unfortunate convict was deprived of a fair chance of recovery. That every opportunity was given for the spread of loathsome diseases because of his disregard of rules 52 and 53 is amply shown. He paid no attention to hygiene and cleanliness, and his annual report from which I have quoted is, to say the least, most misleading. Yet Dr. Phelan is still on the job.

I have tried to give the reasons why, in my judgment, he is not a fit and proper person for the position he holds. We have heard a good deal in this House this session about the dismissal of officials. Hon. gentlemen opposite have said that officials have been dismissed by this Government for very slight cause, and in some cases without any justification whatever. Be that as it may, I will go this far and say that I think scores of officials have lost their positions without there being against them one-hundredth part of the evidence which I have adduced here why this man should lose his position.

Another man to whom I have called attention is the hospital overseer, H. W. Wilson, who was appointed by this Government. It has been shown in the evidence—you will see it corroborated on pages 570, 571, 592 and 593 of the evidence—that he repeatedly refused to get up at night to attend to convicts who were sick and required his attention, and in some cases were even dying. The commission makes use of these very peculiar words (page 24) in regard to this matter :

> Your commission are of the opinion that these patients—

That is, the ones I have spoken of as being neglected.

> Your commission are of the opinion that these patients were practically beyond human aid and that in their cases no hardship was inflicted by Wilson's failure to get up to see them; yet, we feel that the physician, or his representative, should be present on such occasions and that there should be a regulation to this effect.

Is that not a very peculiar statement for this Commission to make? In the first place they start out to justify Wilson for not getting up on the ground that these men were practically beyond aid and if he had got up to give assistance to these dying men they would have died anyway. Therefore, to carry the matter to its logical conclusion, as they were going to die anyway,

let them die! But they did not like to leave it at that, and they said that they really did think that after all the doctor or the hospital overseer should be present when a convict is very sick or is dying. Have these conditions changed? Let me refer to some recent evidence on that point. Since the Commission sat, that is on June 27, 1914, a convict by the name of Harris died at 7.30 p.m. Neither the surgeon nor the hospital overseer, Mr. Wilson, was present. Next morning about eight o'clock a man of the name of Brooke died, and no one was with him. Wilson is reported to have been in his room just a few feet away while the man was dying, but he did not get up. You can hardly wonder at that when it was shown in the evidence that when convicts were calling for assistance early in the morning this man, Wilson, stayed to make himself a piece of toast and eat it before he would go to the assistance of the convicts in pain. With whatever opinion others may have I am not concerned, but I have no hesitation in saying that, whether he was appointed by this Government or any other Government, such a man as that is unfit for the position he holds. I can only say that I believe that, in regard to these matters which I have attempted to place before this House, the Minister of Justice has been woefully misinformed, or the facts have not been properly placed before him.

I want to call attention to another matter. Last session I referred to something which just a short time before had been brought to my attention. I said on that occasion, after I had recited the fact, that in my opinion there was something which the Minister of Justice should look into and see whether there was an excuse or a justifiable reason for it. I referred to the fact that on the 3rd May, 1912, on the 16th July, 1912, and on the 29th January, 1913, the Roman Catholic chaplain at Kingston penitentiary, the Rev. Father McDonald, had received money orders for $2, $6 and $5 respectively from Mrs. McNeil, the mother of convict McNeil. My reason for referring to that is this: two of the guards of the institution came forward at the request of the Commission and confessed to having engaged in trafficking; that is, getting money for the convicts from the outside. The Commission told any guards who had been guilty of this practice that if they would come forward and confess they would merely lose their positions but they would not be prosecuted. Two of them came forward, confessed and lost their positions, as they should lose their positions; I have no fault to find with that. But here was a case where the Commission had the evidence, had these money orders in their own hands at the time they conducted this investigation, and here was a case that was not looked into by them. I call it to the attention of the minister because I think that in all fairness it was a matter that should have been looked into.

But Father McDonald was not exonerated from any charge of having violated the rules. I should be only too pleased to see him exonerated; I would rather see him exonerated than not; but I think that in view of the fact that two men lost their positions for trafficking, and in face of the evidence, which evidence I had placed in my hands by Inspector W. S. Hughes in the inspector's office in this city, it is a matter which calls for a word of explanation. That is all I ask, and I shall be very glad indeed if a satisfactory reason and explanation can be offered.

Another matter to which I want to call attention along the same line is this. There have been several guards and officials of Stony Mountain penitentiary in the last two or three years who have lost their positions, some of them for trafficking, and some for taking letters in to convicts and taking letters out which is a direct violation of the rules. I am informed that last year, in the month of August, another official of that institution was suspended for doing the same thing. Let me read a copy of order No. 2, dated August 12, 1914, and issued at Stony Mountain penitentiary:

> The Rev. J. V. Joubert is suspended from duty as Roman Catholic chaplain until further notice from this date.
>
> (Sgd.) W. R. Graham,
> Deputy Warden.

I want then to read another order, No. 3, which follows next day, August 13, 1914:

> The suspension of the Roman Catholic chaplain is withdrawn to conform with the wishes of the Minister of Justice.

That appears to me to call for a word of explanation. Why was this man suspended? Was he suspended because he was carrying letters to the convicts and carrying them out contrary to the rules and, if so, why was he reinstated within twenty-four hours while other men who had been guilty of similar offences lost their positions, and, in my opinion, rightly so.

There is another matter to which I wish to call the minister's attention in all kindness. I want an explanation, because I

repeat that I believe he has been misinformed as to the facts. I have here testimony which calls for explanation, which does not look well on its face, and I would like to see it put in such a position that it would look better than it does. On January 26, 1914, Guard Doyle, of Kingston penitentiary, was taken ill with sciatica and went off duty. On June 16 the surgeon, Dr. Phelan, reported that Doyle was incapacitated for further duty. On the 31st July Doyle was retired and paid his gratuity. I want to call attention to the fact that Doyle received his pay for all the time he was off duty. I have no objection to that. He received his pay for the six months and five days he was off duty, and he received his pay for a month and a half after the surgeon said he was incapacitated for further duty. I have no fault to find with that. It was a case where we could afford to be generous. Let me give another case: Guard Burk became afflicted with mental trouble and on June 20 he ceased duty. On August 26 the surgeon reported him as unfit for further duty. On November 30 he was retired and drew his gratuity. He was off duty five and a half months during which he drew his full pay. I have no objection to that. He was off duty for three months and five days after the surgeon reported him as unfit for duty during which time he drew pay. In order to get my point I will have to give you another point, and I give you the case of Guard Tatton, a man who was struck down by a desperate convict on the 20th of August, 1914. On December 7, the surgeon reported Tatton as unfit for duty, and three days later Tatton was retired. Tatton was off duty three months and 20 days, and he was retired three days after he was reported as incapacitated for further duty. Why, I ask, was Guard Doyle kept on a month and a half after the surgeon's report of his incapacity; why was Guard Bourke kept on for three months or more after the report of his incapacity, and why, in the case of Guard Tatton, did it only require the time taken in the transit of a letter from Kingston to Ottawa and from Ottawa to Kingston, before he was retired? Was it because Guard Tatton had served his Queen and country in South Africa, for he was a veteran of the South African war? It seems to me it was pretty rotten usage of that man, who had a wife and two or three small children, just a few days before Christmas, to turn him out at such a season of the year. I do not think he got the same kind of treatment that was dealt out to the other men.

I want further to call attention to this fact. The rules of this penitentiary, and of all penitentiaries in Canada, say that relatives—the father, brother or son of any officer—shall be ineligible for appointment in the same institution. That is rule 3. All I have to say in regard to that rule is to call the attention of the minister to a fact of which I think he is not aware, namely, that J. Kennedy and M. J. Kennedy are brothers in that institution, in violation of that rule; that Beaupré and Sullivan are closely related; that Fowler and J. Hughes are closely related; that J. O'Neill and F. Doyle are closely related; that George McCauley and T. Hennessy are closely related; that A. McConville and J. Doyle also are closely related, and this evidently in distinct violation of rule 3. These men were appointed before this Government came into office, but they are still in office in violation of rule 3, as I understand that rule.

There is another matter to which I wish to draw the attention of the minister and it is this. In the month of July, three guards, McGeein, Curtis and Godkin, were dismissed from Kingston penitentiary. I wrote to the minister in regard to this matter and asked why these three guards had been dismissed, for their records, I believe, had been very good, I may say exceptionally good. They were physically good men, there is no doubt whatever about that, and I asked why they were retired. The minister wrote back to me and the reason he gave was, that at the time they made their application for appointment as guards, they mis-stated their ages, and represented themselves as younger than they really were, and the regulations called for men under thirty-five years of age. The minister very properly called attention to the fact that when a guard signed an application he also agreed that if he made any mis-statement in his application he would lose his appointment. Very well. I have no fault to find on that score, but I want to call attention to some facts bearing on that. Let us take the report of the inspectors with regard to these institutions, and if you turn to page 266 of that report it contains the list of officers in the different penitentiaries. The first column gives the name of the officer, the second his rank, the third his creed, the next column the date of his birth, the next column the date of his appointment, and the last column his

salary. If any one desires to ascertain whether these men were over age at the time of their appointment, it is a very easy matter to simply take the report of the inspectors, and taking that report I find that, notwithstanding this rule 3, and notwithstanding that these three men were removed from their positions because they had under-stated their age, there are in the several penitentiaries of the Dominion no fewer than 71 guards who were over age at the time they were appointed.

Mr. DOHERTY: Would the hon. gentleman be good enough to tell us when these were appointed, and whether it was before or after the regulation was made?

Mr. EDWARDS: When was the regulation made?

Mr. DOHERTY: In 1899.

Mr. EDWARDS: We will follow that up and see what develops. Some of these 71 guards were appointed previous to 1899, but there were a great many of them appointed subsequent to 1899, and some of them were appointed subsequent to 1911, namely, in 1912 and 1913; I cannot speak as to 1914, because we have not the report for that year. Let me, for instance, call attention to one here who was born in 1871 and appointed on January 1, 1911, being forty years of age.

9 p.m.

Mr. DOHERTY: To what position was he appointed?

Mr. EDWARDS: He was appointed as night fireman.

Mr. DOHERTY: That regulation only applies to police officers.

Mr. EDWARDS: Very well, we will take police officers. I can understand that possibly the regulation would not apply to stokers and firemen, and I do not want to be unfair in the matter at all. We will take the case of J. Latour, St. Vincent de Paul penitentiary, who was born in 1869, and appointed February 1, 1912, at the age of forty-three.

Mr. DOHERTY: What is his position?

Mr. EDWARDS: Industrial guard.

Mr. DOHERTY: He is a farm inspector and not a police officer.

Mr. EDWARDS: I do not so understand it, and that is not the case in Kingston penitentiary, as to which I am absolutely certain. These industrial guards are supposed to exercise the supervision of police officers in case they are required to do so.

[Mr. Edwards.]

But we will take another man, F. X. Bastien, who was born in 1876 and appointed October 14, 1912, at the age of thirty-seven, and designated as a guard.

Mr. DOHERTY: Was he appointed a guard?

Mr. EDWARDS: Yes, that is what the report says.

Mr. DOHERTY: The inspector informs me he was appointed as a messenger.

Mr. EDWARDS: Of course, if the inspector says one thing now and puts another thing in his report, I am not responsible for that. I think I am justified in referring to what I see in this report, and taking it as correct. If the inspector who I am told got up this book, and put in this information, says in this book that he was appointed as a guard, and now says he was appointed as a messenger, why, all right. Let us take a chief watchman. Would he have any duties as a police officer? If he had, I would go to the next page of the report and find Mr. Lawrence. He is put under the head of police, so I presume he is a police officer, unless there has been a change. He is fifty years of age.

Mr. DOHERTY: When was he appointed?

Mr. EDWARDS: In 1899.

Mr. DOHERTY: When did he retire?

Mr. EDWARDS: I do not know whether he has retired or not.

Mr. DOHERTY: He retired last year.

Mr. EDWARDS: Not before this report came out?

Mr. DOHERTY: No.

Mr. EDWARDS: I have no later report. I can take only the evidence that I have in my possession. It is not my fault that the report for the year ended March 31, 1914, is not before the House.

Here is another one, A. L. Bellodeau, who also comes under the head of police. He was appointed in 1901 when his age was 41. What became of him? Was he a messenger?

Mr. DOHERTY: I do not know what the minister who appointed those men had to do with the matter, but the report shows that they must have told the truth about their ages, because it appears on the pages of the report. If a predecessor of mine chose for some reason or other to waive the regulation, I am not responsible.

Mr. EDWARDS: I do not wish to hold the minister responsible for what his predecessors in office did. I am not a lawyer and I am not accustomed to arguing along legal lines; but if I understand the objection raised by the minister to my argument, it is that if a man gives his age correctly and is appointed, even although he is ten or twelve years over the prescribed age, that is all right; he should not lose his position because he does not lie about it. What is the object of putting the age limit of 35 years in the regulation? I presume it is because it was thought advisable not to take on men older than that.

Here is another case of a man appointed in 1907, Mr. Charles Card, as a guard. He was born in 1856. Therefore he was 51 years of age when appointed. Here is the case of Mr. A. Fisher, put down under the head of police. I suppose he is also a guard. He was born in 1871, and was appointed on February 1, 1912. That would make him 41 years of age when appointed.

Mr. DOHERTY: In 1913, we changed the schedule of salaries. Many people who had been appointed under different designations all came under the designation of guards, although they had not been guards when originally appointed and although they did not act as guards. One of the men mentioned by my hon. friend, when he was appointed, was appointed as a stableman.

Mr. EDWARDS: I am glad to get that explanation. The only defect in it is that one column gives the date of the man's birth and the other the date of his first appointment.

Mr. DOHERTY: He figures now as a guard, but he ranks as a guard only for the purpose of salary.

Mr. EDWARDS: According to this report he was fifty years of age when appointed. Do I understand from the minister that his status was changed and his salary raised?

Mr. DOHERTY: I am told that, prior to the last modification of the schedule, men were appointed under different designations according to the particular kind of work they were to do. Under the last schedule fixing the salaries, those designations were done away with, and the same salary was paid to all those classes of persons under the general name of guards. A man who may have been employed to work in a stable now figures as a guard. A man formerly employed as a messenger now figures as a guard.

Mr. EDWARDS: When was that change made?

Mr. DOHERTY: I think it was in the year in which there was a change in the schedule of salaries. That was in 1913.

Mr. EDWARDS: The man to whom I refer was first appointed in 1912. Therefore in this report he would not come under that change of schedule. I am not very much concerned about that. There is ample evidence to show that guards were appointed who were over the prescribed age. This report shows that they were over the prescribed age when appointed. If that was the case, I do not see why McGeein, Curtis and Godkin should be singled out. At the time Curtis was dismissed there were 37 older than he was; there were 35 older than Godkin and 23 older than McGeein. Only half of the guards in the institution in Manitoba are under 35; in British Columbia half; in St. Vincent de Paul only 19 out of 60 are under 35, and there are 4 between 65 and 70, and 1 between 70 and 75, although still acting as a guard. I presume he must be a Jack Johnson white hope. He must be an exceptionally strong man. In Alberta and Saskatchewan half the guards are under 35 years of age.

I call attention to the fact that a man who was sent to Kingston from Dorchester was hosed, notwithstanding the fact that he had been sent to Kingston as an insane convict. The inspector, as appears on page 1556 of the evidence, said that the surgeon's certificate that the man was physically fit for corporal punishment was all that he required. That may be strictly according to regulation, I have no doubt that Inspector Stewart is perfectly sincere in the belief that hosing is a most efficient and effective form of punishment. I have no quarrel with him on that point; he is entitled to his opinion, but I most emphatically assert that I am opposed to the use of the hose on convicts, whether sane or insane. I do not believe that turning a water pressure of 60 or 75 pounds upon a man will do him any good. Perhaps I am not qualified to speak definitely in this respect, but that is my opinion. According to the evidence, page 1559, a mere boy who was sent to the institution was punished on December 12, 1911; on January 1, 12, and 13, 1912; on January 1, February 1, 22, and 24, March 15 and 26, 1913. Dr. Young said in his evidence that there was no doubt whatever that the boy had been insane for years and was in-

sane while he was undergoing that punishment. I do not say that he was hosed, but he was punished in various ways. He was put in the punishment cells, put on bread and water, put in the prison of isolation, put on half rations, deprived of light in his cell, suspended for 48 hours in his cell. We are all anxious to finish the business of the session, but if we were to stay here for the next six months, this is a matter that we ought to deal with, and deal with seriously, with a view to preventing the recurrence of anything of the kind in the future. Dr. Etherington declared that while the investigation was going on there were two insane convicts in the prison of isolation who should be in the insane ward. Yet the officers who, I claim, are largely responsible for this condition of affairs, still retain their positions.

There are several other matters to which I might refer, but I will not touch upon them at the present moment. It may be asserted that in my discussion of penitentiary matters, although I have been engaged in making adverse criticism, I have offered comparatively few suggestions in the way of reform. I should like hon. gentlemen to remember that I made certain specific charges; it seemed to me that I should justify the position that I took; that I should show why I believed that these men were unfit for the positions which they hold, and why I believe it is not possible to carry out any reform in the institution so long as these men are allowed to retain their positions.

I should like to make one or two suggestions with regard to prison reform. I express it as my opinion that a retrograde step was taken in the matter of prison management when the law was changed in 1875. Previous to that time the management of our prisons was under the control of a board of directors. The law was changed, and since that time they have been under practically the management of one man. I believe that a board of directors for our penal institutions should be provided. In no department, in no branch of the public service, do the officers require to possess such broad vision and sympathy, such firmness of character and temperament, such tactful kindness as is required of officers engaged in the administration of our penitentiaries. It is unreasonable, I say, to expect one person to possess all the mental and moral qualities necessary to enable him to deal adequately with a diversified criminal population.

I would favour an indeterminate sentence. I believe that convicts under 21 years of age should be kept entirely separate from the older convicts, and should not be allowed to associate with them. If it is said that there is not sufficient accommodation to carry out that principle, then I say that the accommodation should be secured, and the sooner the better.

The pardoning and paroling of first offenders should be carried out in a more generous manner than it is at the present time. I am glad to see that the parole system has been advanced in this country; I think it may advantageously be extended still further. I think it is particularly worth while when applied to young convicts who are serving their first sentence.

The time involved in remission of sentences might well be reasonably extended. In California, I understand, the remission granted in each of the first two years, if the convict has conformed with regulations and has behaved himself, is two months. In each of the next two years he is allowed four months, and after that he is allowed a remission of five months in each year during the period of sentence. This remission is worth while. There is great encouragement to the convict in remissions of this kind, and the officers are enabled more efficiently to administer the prison, because the prisoners, working for these remissions, are more amenable to the rules.

Discipline must of course be maintained in any prison, but I doubt if discipline ever yet reformed a matured criminal. As a rule, severe punishment hardens the convict and makes him more vicious and unruly, while firm kindness and tact softens, overcomes and subdues the evil in him. You may say that that is all theory, but the best test of the worth of the method is to consider whether it would be effective if applied to ourselves. Every one of us here could be led more easily than we could be driven. We would be more amenable to kindness and tact than to severe measures. In California they make food a disciplinary agent. All the food is supposed to be wholesome, but they have their tables graded; at some tables the food is better, more tasty than at other tables, and that is made use of as an inducement to convicts to obey the regulations. They also make the use of tobacco a disciplinary agent. They withhold or grant it

to the convict as his conduct warrants. I would grant tobacco to the convict in the penitentiary. I think a mistake was made when it was withdrawn from him. I believe there has been more trouble in the institution because of the withdrawal of tobacco from convicts than from any other one source.

The writing and receiving of letters might be made use of as a disciplinary agent. A convict is now allowed to communicate with his friends once in two months. That seems to be hard. Surely there is some bond of love between that convict and some one on the outside. What harm could be done by allowing him to communicate with his wife or family? It seems to me it would have a good rather than a bad effect. That privilege might be withheld or extended according as the convict obeys the rules. Lights in cells might be withdrawn as a punishment. Those are some of the means that I think would have a better and more salutory effect than putting a convict in a cell and knocking him about with a stream of water at 60 or 70 lb. pressure to the inch.

Labour is a necessity to the physical, moral and mental well-being of convicts; but if it is to be of any reformative value that labour should be productive. I do not call work on the stone pile, where a man or boy sits down month after month and year after year and pounds a larger stone into smaller particles, labour. That cannot have any good effect on the convict; on the contrary, as he smashes the stone he smashes his whole mental and moral nature, he crushes the life and ambition out of himself. It is a crying shame that, in this day, perhaps one-quarter of the convicts in Kingston penitentiary are engaged in the occupation of simply breaking stone month after month, year after year. Some men say that we cannot have productive labour in prisons because it competes with free labour. Working for the State, a convict does not augment the number of labourers in the country any more than he would if he were working outside. If he was a free man he would be in competition with the men outside. Competition, therefore, is not increased if he is inside the walls of a penitentiary. What kind of labour might be engaged in? One of our prison inspectors, Mr. Douglas Stewart, and his colleague at that time, Inspector Dawson, at one time a member of this House, made suggestions in their report to the Government in regard to prison labour which I am sorry to say were never carried out. I firmly believe that had the suggestions which those men made at that time been carried into effect our prisons would have been far better to-day and some of the men who are leaving the prisons worse than when they entered would have left them better than when they entered. What did these inspectors suggest? They suggested that prison labour might be directed first, to some imported articles made in other countries and brought into Canada, second, to commodities which are temporarily or otherwise controlled by monopolies and, third, to some articles required for the use of the public service, mail bags, boots, caps and uniforms for the militia, letter carriers, customs officers and others, clothing for Indians and industrial schools, certain needs for the Northwest Mounted Police, and lighthouse service and rural mail boxes. It seems to me that these are things that might be manufactured at our penitentiaries. I am not sure, but I would say that quite a number of our mail boxes have in the past been imported from the United States. These might have been made in the prisons. I suggested here a few years ago to the minister, and I repeat the suggestion, that one of the things that the prisoners might be employed in making is concrete tile for culverts and arches for use in road-building throughout the country. In some of the county jails throughout Ontario prisoners are employed in making tile. These are supplied to municipalities at cost. In Kingston, where they have an abundance of limestone and easy access to sand and gravel, where the cement could be shipped in, it seems to me that concrete arches and tiles for use in our roads could be made and handed over to the various municipalities at the actual cost of manufacture. I believe that most of the articles I have mentioned could be made with the facilities they now have in the prison. What is the situation to-day? A prisoner now leaves prison, after putting in his sentence, without a trade, without a cent of money, broken down in health and crushed in spirit; and yet we expect that man to go out to the world and make good. What chance has he to make good and who is to blame that he has not a chance? I say we are to blame.

Mr. BICKERDIKE: Hear, hear.

Mr. EDWARDS: I would not go as far as my hon. friend from St. Lawrence (Mr. Bickerdike) in regard to hanging; but I do think that there are worse things even than hanging in this country. To take hold

of a boy, to put him in the penitentiary and deprive him of any chance of ever becoming a useful citizen, is even worse than putting a rope around his neck and hanging him. Imagine a case coming before a judge. I have in mind now a boy who came before the commission being only then between 15 and 16 years of age. He had been convicted and sentenced to Kingston for four years by a fool of a magistrate in the county of Hastings. Why? What had he done? This poor lad had been working for a farmer, he had stolen a cheap watch and $2.50 in money, and the magistrate sent that boy, between 14 and 15 years of age, down to Kingston for four years! He walked in through the gate, his name was entered, he was given a number and a suit of clothes, his hair was cut and he was shaved and washed. Then he was passed over to deputy warden, who assigned him his work. That boy was put on the stone pile, and week after week and month after month, sat on the stone pile alongside old recidivists, old, hardened criminals. And we expect that boy at the end of four years to come out a fine type of man and to make a good citizen! The judge might just as well say to that boy, whose moral perceptions were not hardened, who was not depraved, who was not criminal by nature, who had made his first mistake: "Here, my boy; you are young, you are green and unsophisticated, you have taken your first step in crime, but there is a lot for you to learn before you become a graduate in criminology; so I am going to send you down to an institution where you will have all the advantages of intimate association with men who have gone through the college of crime and are past graduates in the art of committing crime; you will have an opportunity to rub shoulders with them day by day, and if there is anything that one of them cannot tell you some of the others will; your mind is plastic and easily moulded, you are susceptible to impressions; go down there to that university of criminology where you will have an opportunity of mixing with old experienced masters in crime; you will be right alongside of them day after day, and they will teach you the various things you have to learn before you can become a graduate in crime." The judge might go on and say: "Down there you will find grades of society just as there are outside; you will find some men of the type of Travers, the man who ruined a great many people in this country by his management of the Farmers Bank; he has had the advantage of home training and education; you will find him eating off a plate with a knife and fork and spoon; he gets pudding and other delicacies, probably a box of cigars now and then, and occasionally a little liquor is sent him; but, of course, my boy, you are not in that class; you are only young; you have not got to the point where you can wreck hundreds of people; you have all that to learn, so we will send you where you will have an opportunity of learning it." And what happens? If the boy is sharp and has taken advantage of his association with criminals, at the end of four years he comes out of that institution a graduate in the art of crime. He knows how to commit the greater offences against society; he has been initiated into the higher degrees of crime. He comes out a graduate of criminology and a satire on our civilization in this country. That is the condition of affairs under our penal institutions as they exist to-day.

I want to enter my protest against existing conditions. I say, give these convicts some productive employment. Allow them to make many of the things which we use in various branches of the service, if by so doing you can teach that lad or man a trade and bring back his self-respect. I deplore and protest against the forms of punishment in those institutions, such as the tubbing and hosing of insane convicts, and I dare say the same thing takes place in other institutions. I firmly believe, others to the contrary notwithstanding, that that form of punishment does no good to the institutions, and does irretrievable harm to the convict who is so punished.

I am aware that those who criticise my remarks will say that I have not given a very good certificate to the person from whom I have received most of the information on which my charges are based. That is very true. I have not. They may also say that I have not given a very good certificate to the commission that held this investigation. Well, I am not at all satisfied with the way that investigation was held. I have drawn certain facts from the evidence adduced before that commission, and from other sources absolutely reliable, and I challenge any man to contradict any statement of fact which I have made to-night. I regret that the commission did not go more fully into these matters and make a more thorough investigation. Certain changes have taken place. I do not believe there has been any tubbing or hosing

lately, and I hope those forms of punishment will never be reintroduced. I hope that before this debate closes, the House and the country will have the benefit of suggestions from men on both sides of the House, many of whom I feel certain are far more capable of presenting this subject to the House than I.

Mr. ROBERT BICKERDIKE (St. Lawrence, Montreal): I am sure we have all listened with a great deal of interest to the exposé made by the hon. member for Frontenac (Mr. Edwards.) But I do not think he went far enough in telling the minister just what should be done. He has shown very conclusively that Kingston penitentiary and the other penitentiaries are a disgrace to this country, but he did not go far enough. I do not intend to delay the passing of my hon. friend's Estimates in any way. I do not want to have them reduced either, for I think they are far too small for what I am going to ask him to do. I believe I am within the mark in saying that the management of prisons and prisoners in Canada has, to say the least, been most barbarous. We are certainly committing blunders to-day that in a very short time men will point to as the most extraordinary mistakes any government could have made. Our reforms are most certainly surrounded by the most barbarous methods which the most heathenish nation has ever employed. We continue to shut up in an iron cage our poor erring brother, when we should put him to work at some useful employment in God's sunlight and in God's fresh air. The Royal Commission that the minister appointed has reported that our penitentiaries are in a deplorable condition, and certainly the condition of affairs that exists or did exist is anything but a credit to the Minister of Justice and his Department.

Mr. DOHERTY: I presume the hon. gentleman has read over the evidence before venturing to make that statement?

Mr. BICKERDIKE: I have read the report that has been laid on the table of the House of the commission appointed by the minister himself. The hon. member for Frontenac says they kept a great deal back, but there is sufficient in that report, I think, to make the people of this country hang their heads in shame. I regret to have to say that Kingston penitentiary has earned for itself a very unenviable reputation as an institution for the reformation of prisoners, or for the recovery of the poor unfortunate convicts in the insane ward. The minister knows that just as well as I do. I want to say to the minister that we are going about this thing wrongly, and I think he will agree with me. There was a time when the minister did not have in his heart that vengeance that he appears to have had in recent years since he came into politics. I say that the visiting of vengeance upon transgressors should no longer be tolerated in any scheme of civilized government. It is held, on the other hand, by those who have conducted the most exhaustive researches into the relations of individuals with their fellowmen, that the state has a two-fold responsibility imposed upon it; first, its duty toward its citizenship as a whole, and secondly, its duty toward the individual violator of the law. In other words, the purpose of punishment in the broadest sense is, in the first place, to protect all citizens from the menace of criminal acts, and secondly, to place such restrictions upon the transgressor as will result in his reformation and the exemplification, through such measures, of the hazardous and disastrous nature of crime.

Instead of reforming criminals the Canadian system has really been making criminals. What good does it do to hang them or to shut them up in an iron cage? If you want to see what can be done with prisoners I would invite the Minister of Justice to visit the Guelph prison farm, and there see the result of the reforms inaugurated by the Hon. Mr. Hanna, of the Ontario Government.

I think that this is one bright spot in the Dominion of Canada where an attempt has been made for the reform of prisoners. If he will look at what can be done and compare it with what is being done under the mismanagement of our prisons and prisoners, he will agree with me, that to say the least of it, the management is most brutal. It is enough to make Canadians hang their heads in shame. Does it not now become the duty of Canada to raise herself to some standard of reform, both by abolishing the death penalty and instituting reforms amongst our prisoners, or at least amongst the young and less hardened criminals. Society should be more concerned in the reformation of the man than in his punishment.

My hon. friend from Frontenac cited the case of California. I have here quite a number of reports from different states. I will give my hon. friend the Minister of Justice a few facts to show what is being

done in the state of Colorado. The Governor of Colorado, six or seven years ago, found that the penitentiary of that state was conducted on the same principles as those which seem to govern the management of our penitentiaries in Canada. He wanted to institute some reforms there and he did so. He got hold of a bright young Irishman, brought him in from the outside and appointed him warden of the Colorado penitentiary.

Mr. DOHERTY: That was a good beginning.

Mr. BICKERDIKE: It was a good beginning, and I hope my hon. friend will take an example from him and begin this reform right away. We thought he would have done it a couple of years ago. What did the young man do? He found 725 convicts, he picked out the best of them, some 300 or 400 in number,; he wanted to make a trial and he started out building roads with them:

He now has 300 of the state's 725 convicts employed on the roads, and they are not only doing good work for Colorado, but are making better men of themselves and many of them are saving money with which to make a new start in life when they are released. The story is told in the Detroit Free Press:

Fifteen life-termers are among the 300 convicts, who in khaki-clad gangs of about sixty are blasting out good roads through the Rockies. They work under unarmed overseers, with no stockades, no barbed wire, no ball and chain, no growl of guns. Nine o'clock at night sees a roll-call at each road-camp. Then the gang climbs into its tented bunks and the camp's solitary rifle is shouldered by the night guard, a convict who keeps a keen lookout for coyotes.

These are convicts who before leaving the penitentiary have held up their right hands and sworn, first, that they will not attempt to escape, and secondly, that if possible they will prevent their fellow convicts from attempting to escape. Less than one-half of 1 per cent of the convicts so trusted have escaped since Colorado's first road-camp was pitched, May 12, 1908.

Specific legislation gives, in addition to a liberal good-behaviour allowance, a 10-day reduction of term for every 30 days in a road-camp Thus a Colorado convict sentenced to between 10 and 20 years is enabled to earn his release in four years and three months; attempted escape, however, puts him through his full 20 years. But in lonely mountain wilds, where it would be easy for convicts to slay their overseers and escape in droves, the possibility of recapture is too remote as to be a small deterrent. Something else, which is more wholesome than the clank of chains or the menace of rifles, keeps the convict to his camp.

When the sentence expires of one of these road-camp convicts or his parole arrives he possesses at last one marketable trade, scientific road-building. He has worked his eight hours a day under an open sky, sleeping at night with five others in an open tent. He has bathed in crystal mountain water heated by a big boiler in the corrugated iron bath-house which is erected at each camp. He has spent his evenings, his Sundays, and his weekly half-holidays in reading old magazines sent the camp by near-by ranchers, in writing on plain stationery to his friends, in listening to the camp phonograph or at baseball (match games with town teams if he has made the camp nine). And he has had no whisky.

He gets his other chance at life with no prison pallor, either of body or brain. His sense of honour has been quickened by his warden's trust, and a quickened conscience, is one of society's assets. Instances abound in Colorado's road-camps to show that where all the usual devices of a modern penitentiary had failed to redeem a convict, the placing of trust in him succeeded. Here's one of the instances:

Bud Parrot, murderer and life-term convict at the Colorado penitentiary had become in 1909 so degraded that he would have given his very life for revenge on his guards or a chance to escape. After Tom Tynan became Colorado's warden in 1909 Bud Parrott discovered that the old order had vanished. In 1911 Parrott himself had so changed that he was sent on his honour 244 miles away from the prison to a road-camp near Fort Collins, Col.

Besides their interest to students of penology, Colorado's convict road-camps contain hope for those thirty or forty States whose roads have fallen into disrepair because of inadequate road funds. The road labour of 300 convicts costs the State of Colorado $77.67 a day, including initial equipment and overseers' pay. It costs the benefited counties an aggregate of $72 a days to feed the 300 convicts. Competition with free labour is avoided because at $2 a day the price of free road labour is prohibitive in Colorado. Thus Colorado is enabled to put on their roads $600 worth of labour a day for $149.67 a day.

Then he set his convicts at work, and, exclusive of road-building, this is what he did in the years 1909 and 1910: built for $16,059.45 a modern $75,000 hospital building, measuring 138 by 48 feet, containing every hospital necessity from sun-parlor to morgue, and designed by Francesco, No. 6513, a life-termer, who had learned all his architecture at the penitentiary; laid 8,539 square feet of cement floor in the prison, and 42,775 square feet of cement sidewalk outside; installed a complete duplicate electric-lighting system throughout the penitentiary, so that darkness need permit no escape if one system should break down installed a complete new heating system; laid 19,014 fire-brick; built a railroad spur to the penitentiary quarry, enabling him to sell $13,000 worth of stone a year, besides supplying his own needs screened every prison door and window; planted ivy vines around all of the stone buildings; drove a tunnel far into the Royal Gorge, obtaining the purest mountain water for Canon city and the penitentiary; dug and operated twenty acres of irrigation ditches; put half a carload of glass in the prison windows; worked four ranches outside the prison walls on a half-crop rental arrangement, from which in 1910 the penitentiary sold 1,000 pigs and stored 100 barrels of sauerkraut, 100 barrels of vinegar, 50 barrels of apple butter, etc., and earned $12,000 besides.

And at present his convicts are building a concrete stadium for their football and baseball

teams. Besides these athletic facilities, they are provided with a winter night school, an orchestra, a business school, manual training classes, and cures for the liquor and drug habits.

"Whisky brings 96 per cent of these men to the penitentiary," says Tynan.

Not only do these tasks command from the convicts the enthusiasm which comes from working for oneself, but they enabled Tynan in 1909 and 1910 to save $106,746 on permanent improvements at the penitentiary and to return unused to the State Legislature on December 1, 1910, between $40,000 and $50,000 of the penitentiary appropriations—the first time such a feat was ever accomplished in Colorado.

At present Tynan is planning to remodel his cell buildings so that each cell will have an outside window. His prison for more than two years has been a single cell institution. He is also pulling wires to get the legislature to add 500 acres to the prison ranches which he now owns.

"I'll guarantee that 90 per cent of the men employed on it (the proposed 500 acres) will never return to crime," he says. "Under the instruction of employed experts they would learn soil values, crop care, and all the details of scientific agriculture. Farming will keep them out and away from the temptations of the town. The co-operative plan must be employed in some degree, so that the convict will not enter freedom with empty hands."

Yet there is no soft sentimentality about either Tom Tynan or his Colorado convicts. Tynan knows that practically all of his men are of low intelligence; that some of them are professional criminals who take their imprisonment as a merchant takes a period of business depression; that very, very few of them have stolen crusts of bread to ward off starvation.

Tynan knows furthermore that most of them are sent to him because somewhere in their lives they have made "one bad break" (his own phrase) and have been caught at it. He knows that practically all of them have that primitive code of morals which makes love a friend and hate a foe.

Instead, then, of using whip and spy to degrade his convicts into a more bitter hatred than that with which they reach the penitentiary, he gives them a chance. No matter what their crime or what their sentence, he trusts them, and many of them for the first time in their lives feel thereupon a sense of honour stirring within them.

"You treat me square and I'll treat you square," he tells them. "When you're ready for a parole or when your time is up I'll get you a job, and I'll not only see personally that you have railroad fare to reach it, but I'll see, too, that your picture doesn't go into every police station in the land."

There are now over three hundred ex-convicts who have gone out from the Colorado penitentiary during Tynan's régime who continue to write personal letters to Tynan, and to whom Tynan replies on unmarked envelopes and stationery. Among the 300 is Tom, the "untamable" Irishman whom Tynan released from the dungeon in 1909 and who since his parole in 1910 has been a plain, peaceful ranch hand near Las Animas, Colorado. Tom isn't even called an ex-convict in Colorado; he is one of "Tynan's Boys."

Thomas J. Tynan himself—a travelling salesman for more than fifteen years—is the explanation of Colorado's penal method. He travelled out of Chicago and out of Niles, Michigan (his birthplace in 1876), until symptoms of tuberculosis sent him to the mountains. There he reached a weight of 180 pounds and was still gaining when Governor Shafroth took him off the road and made him warden of the penitentiary.

"Whatever success I have had," he says, "is due to the fact that I was never inside a penitentiary door until I came here as warden. All I had was faith in humanity. I will never let anything destroy that faith."

Although he doesn't know the first rule of penology, his daring scheme of ungarded convict road-camps has brought Tynan international fame among prison experts.

I do think that the Minister of Justice might very well take a leaf out of this young Irishman's book, and if what I have shown can be done in Colorado, why cannot it be done in Canada?

The honorable member for Frontanac (Mr. Edwards) also opposed my amendment, but his criticisms were quite of a different nature than those made by some other members. He claimed the penitentiary was much more of a deterrent than the scaffold, and believed that it would be much more humane to hang a man than to send him to the Kingston penitentiary for life. However, the honorable gentleman will hardly expect me to agree with him, as there is no good reason to believe that the Canadian people will stand for the continuance of this deplorable state and mismanagement which he has so graphically described. I must say, however, that this country owes a debt of gratitude to the honorable member for Frontenac for having exposed and condemned the terrible conditions of our prisons, and the uncalled for and unjustifiable cruelties practised on the prisoners, and more especially on those occupying the insane ward in the penitentiary.

I want to give the hon. member for Frontenac (Mr. Edwards) ten good reasons why capital punishment should be abolished in Canada, and, although he may not agree with me at the present time, I think, if he studies it and reads up Hansard during recess, he will probably change his mind:

1. It is murder and a blot on Christianity, a blight on religion and a reproach to any nation which allows it to remain on its statute books.

2. It brutalizes the public as well as the officials who have to carry it out, thus tending to destroy all notion of the sanctity of human life.

3. It is not a deterrent, and by some

criminals is less feared than penal servitude for life. Innocent individuals are occasionally executed, which makes the State a murderer of the worst kind. It prevents reparation in case of subsequently proven innocence, is irrevocable, too extreme a measure; with a wrong verdict, and the sentence carried out, the mistake cannot be rectified.

4. All punishment should be reformatory, not vindictive. Two or more men, organized under a form of Government, have no more right to take life than one man has. It is murder in either case, and brutalizing in both.

5. There are fewer murders per capita in states and countries which have abolished the death sentence than in those states and countries who still stand for capital punishment. It deprives the criminal of the one due which civilized society owes to its unfortunate children of this class, the chance for spiritual reformation and expiation, to prepare for the hereafter.

6. It is a relic of barbarism and of the dark and pestilential days of Nero misrule in Rome. Life imprisonment is a severer and juster punishment than the death penalty.

The CHAIRMAN: Order. I regret to have to say that the hon. member is not in order. The item under consideration is a vote for penitentiaries, and the hon. gentleman is now discussing the question of capital punishment, which has been discussed in a previous debate.

Mr. BICKERDIKE: I submit to the ruling of the Chair, but the hon. member for Frontenac has taken three hours discussing what should be done for the benefit of prisoners.

The CHAIRMAN: That may be true, but the hon. member for Frontenac confined himself to a discussion of the penitentiaries, and the hon. member may continue for three hours discussing penitentiaries, and he will still be in order.

Mr. BICKERDIKE: The hon. member was allowed to attack me and to attack the abolition of capital punishment, and I surely have the right to reply. It would be unfair to allow the hon. member for Frontenac to attack me and to attack my views and not let me have an answer.

The CHAIRMAN: The hon. member for Frontenac did not attack the hon. member for Montreal. He said he was not of the opinion of the hon. member for Montreal, but he did not make any attack.

Mr. BICKERDIKE: I submit respectfully to the ruling of the Chair, but I would like to place on record the opinion of an authority on hanging for crime. This is one of the greatest authorities that Canada has ever produced, and no one on this side of the Atlantic has ever had his experience in this matter. This is reprinted from the Maritime Baptist, and it is a conversation with Radcliffe, one of the employees of the Minister of Justice.

Mr. DOHERTY: I beg pardon; he is an employee of the Provincial Government, which the hon. gentleman supports in Quebec.

Mr. BICKERDIKE: I thought he must have been in the employee of the Minister of Justice.

Mr. DOHERTY: I sometimes can stop him from hanging, but I never have authorized him hanging any one; that is done on the judgment of the provincial courts.

Mr. BICKERDIKE: I think the Minister of Justice has something to do with hangings. A man said the other night that when the minister turned down his thumbs it meant no mercy.

Mr. DOHERTY: I do not always turn my thumbs down.

Mr. BICKERDIKE: You do not always turn your thumbs down; thank God for that. This is the conversation with Radcliffe, the late official hangman of Canada, as published in a Socialist weekly:

It appears that he was the son of an English clergyman, and during his twenty-one years as executioner he was the means of sending one hundred and thirty-souls into eternity. Referring to his first execution, that of Burchell, of Woodstock, Ont., he said the crime for which he was found guilty was so terrible "that I had no compunction about putting him out of business in quick manner." Very different was his story of later hangings. "My family deserted me and changed their names, but I kept right on the job because I argued with myself that, if I was doing wrong, then the Government of the country was wrong, and would be punished. I held that I was the Minister of Justice at a hanging, and that if I was a murderer, he was also a murderer.

Mr. DOHERTY: That used to be under a previous Administration, but not now.

Mr. BICKERDIKE: I am glad there has been some improvement. It has taken a long time.

And so I pacified by conscioenec in that way for many years, but of late it is killing me. The remorse which comes over me is terrible, and my nerves give out until I have not slept

for days at a time. I suffered agony of mind that was terrible, and began to feel as if iron bars tightened around me. I used to say to condemned persons, as I beckoned with my hand, "Come with me." Now at night when I lay down, I start with a roar as victim after victim come up before me. I can see them on the trap waiting a second before they faced their Maker. They taunt me and haunt me until I am nearly crazy with an unearthly fear. I will go to hell sure, and terrible punishment, for I am two hundred times a murderer, but I won't kill another man. I had always thought capital punishment was right, but not now. I believe the Almighty will visit the Christian nations with dire calamity if they don't stop taking the lives of their fellows, no matter how heinous the crime. Murderers should be allowed to live as long as possible and work out their salvation on behalf of the State. It is the only solution, for the stamp of Cain is on my brow, and the brow of the Government and the nation, as long as capital punishment is practised on this globe. It is a question whether a good living man could be found who would act as official hangman, and if found, whether he could be saved from demoralization. Is it expedient that one now and again should be ruined in order to the carrying out of capital punishment? Who can say the ruination is confined to one?

I regret very much that you, Mr. Chairman, would not let me go on with my reasons for asking that capital punishment should be abolished. The hon. Minister of Justice a few days ago, when the question came up before, called upon his followers to vote down the Bill which I introduced. In his argument against that measure, he made use of some of the most outrageous and startling statements that I have ever heard made in this House by a responsible minister of the Crown. He referred to the case in British Columbia, which my right hon. leader remembers, where a man was hanged because he happened to be in bad company. The Minister of Justice has suddenly developed remarkable facilities for mind-reading. He told us that that man, whom he takes the full responsibility of sending into eternity—and he makes a boast of his action—had a bad heart; that he had murder in his heart. The hon. minister gave a very lengthy excuse for having sent that man to the gallows. He first sends that unfortunate prodigal to his grave; and just as soon as that man has gone where he cannot return to refute any statements, the minister undertakes to read his heart and his mind, and suddenly develops an ability for mind-reading, for which those of us who knew him in earlier days would never have given him credit. He reads that unfortunate man's heart, and tells this House quite seriously that all the man did was to prepare himself so that, if anybody interfered with him in his robbery of his neighbour, he would be in a position to murder that person. The minister says that he went out with murder in his heart. I did not think the hon. minister had got so far as to be able to read a man's heart and mind. The hon. minister went further than that; he read my heart.

Mr. DOHERTY: I would not wittingly have ventured to do that. There must be some mistake.

Mr. BICKERDIKE: He said that the hon. member for St. Lawrence had no sympathy for the murdered; that his sympathy was all for the murderers. The Minister of Justice knew better than that when he said so. He boasts that he hanged that man to uphold the law; to maintain Canada's dignity by his act. The minister says to God: Take him back; I have read his mind; he is not fit to live amongst us righteous Canadians. That is really what the minister said.

Mr. DOHERTY: Is that a quotation?

Mr. BICKERDIKE: He says, for instance,—

The CHAIRMAN: Order. I am sorry to say that the hon. member is absolutely out of order, and I will give him an authority better than mine. Bourinot says, in reference to previous debates:

> No member in speaking can refer to any thing said or done in a previous debate during the same session.

I hope the hon. member will realize that the item under consideration is $200,000 for the penitentiary at Kingston.

Mr. BICKERDIKE: And prison reform. I shall be pleased, Mr. Chairman, if you will correct me whenever I go out of order, because I am getting up in years and am a little absent-minded at times.

I would like to point out what the hon. gentleman called self-defence.

The CHAIRMAN: The hon. member is out of order, and he must obey the Chair. If the hon. member is not satisfied with the ruling of the Chair, he can appeal to the House.

Mr. BICKERDIKE: I want to know this, Mr. Chairman: with all due respect to the Chair, you allowed me to be attacked from the other side.

The CHAIRMAN: I beg the hon. member's pardon. I want to be courteous to every member in this House; and if the hon.

gentleman had been attacked by the hon. member for Frontenac (Mr. Edwards), I would have called the hon. member for Frontenac to order right away. I am not here as a partisan; I am here as Chairman. I want to be courteous to every one in the House, and I think I have been courteous since the beginning of the debate.

Mr. BICKERDIKE: I will submit, of course. I will not say anything more about what happened before. Perhaps I might say this that I heard a man, very like the hon. Minister of Justice, say some time ago in some place such and such a thing. Would that be in order? I do not say he said so in the House. This gentleman that looks very like the Minister of Justice held that he did certain things because he was in power at the time. He held onwards and finally closed with the old excuse fresh once more from the devil's inexhaustible repertory, saying that he was not willing to revoke the death penalty for the reason that he had divine sanction for it. Has the hon. minister divine sanction for anything? If he has, I would like him to lay it on the table. I would like to examine it. The signature must be a forgery. Has the Minister of Justice divine sanction for sending men in the future into a cage and making them break stones all their lives? If he has divine sanction for that, I would like to see it. I am very sorry that you, Mr. Chairman, would allow me to be attacked and would not allow me to reply.

Mr. EDWARDS: I am very sorry if the hon. member for St. Lawrence (Mr. Bickerdike) thinks that I made reflections on him personally. If he understood my words in that way, I regret it very much. It was very far from my intention to make any reflection on him, and if I did, I was not aware of it.

Mr. BICKERDIKE: All I said was this, that the hon. member for Frontenac spoke for three hours this afternoon and evening, and that during those three hours he attacked my ideas and made special mention of the hon. member for St. Lawrence. I was not allowed to reply to him. I submit, however, to the Chair.

Mr. HUGH CLARK: I think the hon. member for Frontenac should be commended for bringing to the attention of the Minister of Justice and of this committee the matter of a more reformative and more humane method of dealing with criminals. I commend to the Minister of Justice the methods which he advocated. I am convinced that the United States is far ahead of Canada—except, perhaps, the province of Ontario—in their methods of dealing with criminals, particularly with first offenders. The system of dealing with minor and first offences in Ohio, Massachusetts, Connecticut and New York is far superior to anything that we have in Canada, except in Ontario. I never did believe that a man can be reformed by being obliged to wear a ball and chain, by having his hair clipped, or by being made to wear striped clothing. I do not believe that a man can be reformed by being humiliated; by having his last spark of manhood and self-respect entirely crushed out. They do not do these things in the states to which I refer. They never put a man into a dark cell; I never knew of an occasion where darkness reformed any man. At Mansfield, Ohio, the best lighted room in the whole institution is the one which is reserved for incorrigibles, and it works a thousand times better than a dark cell would. The system of providing employment for the men in the states which I have mentioned is a great deal superior to our system. They teach the men almost all trades and crafts, so that when they go out from the institution they can easily find means of employment. The men are in some cases better trained in those trades than many ordinary tradesmen are. The most dangerous period in a criminal's life is immediately after he leaves the penitentiary, but if he is allowed to work outdoors during his stay at the institution, and if he is taught some useful trade, and taught it so well that employers of labour are only too glad to obtain his services, then he is enabled to pass successfully through that dangerous stage. In Concord, Massachusetts, and in other places, they have in prosperous times more applications for the services of these men than they can fill. Hon. gentlemen who have not already seen it should visit the institution which has been started by Mr. Hanna near Guelph. Not only has he adopted some of the methods which he saw carried out in Connecticut and other states, but he has added new features as well. I had the pleasure more than once of going through that institution, and the method of dealing with the men is far superior, I think, to the methods followed in many parts of the United States. There was not a gun, a bolt or a bar on the premises. The men had a good breakfast; they then went out in

[The Chairman.]

squads to their different occupations. They came back at noon, had a good meal, worked in the afternoon, had a good supper, played baseball or enjoyed other recreation until nine o'clock, and then went to bed. There were no bolts or bars, as I have said, to prevent their escape. There were guards, but they were not armed. The men were taken on trust, as it were; some of them escaped, but very few. The men went away without any prison pallor on their faces, with their hands inured to toil, confident that they could get work—and they did. I do not know how many of them went bad. I do not think many did. I am positive that 85 or 90 per cent of these men were reclaimed and reformed, but even if only 50 or 25 per cent were reformed, it was worth while. In the State of Massachusetts, where they have two reformatories, the percentage of those who go astray is very small indeed. No man gets back there the second time; if he commits a second offence he goes to the penitentiary at Charlestown. I think not more than 10 or 15 per cent of them ever reach that institution. Of course, many of them may leave the state, but to a large extent the results which have been achieved indicate successful reformation. I believe that the most fruitful sources of crime are to be found in lack of work, inability to work or lack of willingness to work. I am confident that many young criminals have been reformed just as soon as they found that there was some work that they could do better than somebody else could do it. That is the kind of education they get in these reformatories. I do not assent to the principle that because a man is in one of these institutions he is a criminal. I do not believe that every prisoner is essentially criminal, any more than I believe that every criminal is a prisoner. When these men make the first mistake in life, they have a right to be given a second chance; they have a right to have a chance for reformation. I do not believe they get it in the penitentiary; I do not believe they get it to the extent that they ought to get it. In the penitentiaries in Canada they have instruments of torture, some of which I never heard of; some of which may have been in use 100, 200 or 500 years ago. They are there for some purpose; I venture to say that some of them are used. I assume they are not there in order to be shown to visitors. A great work can be done by the Minister of Justice along that line, and I believe the work is worth while. Every man is worth something to the country; even if you bring it down to the more sordid consideration of dollars and cents, he is worth reforming, and he can be reformed—that has been proved. I believe, too, in the indeterminate sentence, and I am glad to see that this idea is gradually working its way into Canada. Nothing can make prisoners more dissatisfied with conditions and more dissatisfied with society than conversing with each other, to find that for the same offence one man has been sentenced to one year's imprisonment, another to two years, another to three years—all depending upon the digestion as well as the judgment of the trial judge.

Mr. BICKERDIKE: Bad liver.

Mr. CLARK: It depends almost entirely upon the condition of the trial judge. I believe that a system of parole and indeterminate sentence ought to come more largely into effect. I feel very strongly on this subject, and I hope the minister will take it into his serious consideration.

Mr. NICKLE: If promise of conciseness will win the indulgence of the House, I shall have their favour while for a few moments I direct your attention to one or two matters that occur to me in reference to the subject under discussion. You will remember that in 1912 I first directed the attention of the House to the conditions as I understood them in the penitentiary at Kingston. Later on the hon. member for Frontenac again drew the attention of the House to these conditions, and, as a result of certain charges made by him, a commission was appointed to investigate, and further powers were given it as to a general investigation of the conditions of the penitentiaries of of Canada. I have listened with considerable attention and great interest to the speech delivered by the hon. member for Frontenac (Mr. Edwards) this evening, which showed his characteristic care and which was delivered with characteristic vigour. If I might summarize his address, it would be divided into three parts. The first was a vigorous complaint against Inspector Hughes as to the character of the evidence adduced by him; the second was a complaint against the commission appointed by the Minister of Justice; and the third was a complaint against the penitentiary system as it exists in Canada to-day. As to the first complaint of the hon. member from Frontenac, that Inspector Hughes, then Accountant Hughes, gave to the hon.

member certain facts and figures that were afterwards not substantiated when the commission meets. I cannot give any opinion, as I did not enjoy the confidence of the then accountant to the same degree as did the hon. member for Frontenac. However, as two members of the commission well known to me come from my riding, it is perhaps not amiss that I should differ from the hon. member for Frontenac in my conclusions as to the work of these gentlemen.

Mr. G. M. Macdonell is a lawyer of some 65 or 70 years of age, a man who has given much of his life to the study of social questions, a man who enjoys the confidence of the whole community in which he lives. Dr. Etherington is a graduate of Queens' university, a fellow student of my own, a man who took a distinguished course in medicine, who walked the hospitals of Europe, came back to Kingston and has since practised successfully his profession in Kingston and district. The hon. member for Frontenac, in his speech of last year, said:

> I may say that at the time the names of the commissioners were first mentioned as appointees I saw no reason why they should not perform their duties properly and well.

The hon. member for Frontenac in that expression of opinion therefore admitted that , at the time the members of the commission were appointed, he had no reason to assume that they would discharge their duty in anything but a proper manner. The hon. member for Frontenac has also quoted from the press of the country as to the conditions in the penitentiary and as to the reforms that members of the press think should be brought about. The late Principal Grant taught me one thing I have never forgotten. In that terse, epigrammatic way of his he said: "A man must never forget that an editorial in a paper is no greater than the man who holds the pen." I sometimes think that we are apt to attach too much importance to expressions of newspaper opinion. I appreciate the power of the press; I appreciate the tremendous weight it has in the formation of public opinion. But when we read editorial comment, we should give no greater weight to it than we would give to the expression of the individual opinion of the editor, if expressed in spoken rather than in printed words.

However, the hon. member for Frontenac has taken the liberty of quoting to this House expressions of opinion of the Standard, of Kingston, and, therefore, since he has quoted from that paper believing it is entitled to weight, he surely will not object to my quoting from the same paper as to the character of the commissioners named by the Minister of Justice. On the 28th day of August, subsequent to the formation of the commission, the Standard, of Kingston, said as follows:

> The appointment of Dr. Etherington, of this city as the third member of the commission to conduct the penitentiary investigation is an excellent one and will, we feel sure, be generally commended. This appointment completes the commission, the other members being G. M. Macdonell, K.C., chairman—an ideal man for that position—and Mr. Joseph Downey, ex-M.P.P.
>
> The personnel of the commission assures that the investigation will be a real one and will be conducted without fear, favour or bias.

Again, on the 15th day of July, the same paper said:

> The Government has made no mistake in appointing G. M. Macdonell, of this city, as chairman of the commission that is to investigate the Portsmouth penitentiary. Mr. Macdonell is a man of ability and of impartial judgment and with him as chairman there is assurance that no injustice will be done to any one and that all will be given a fair hearing.

These quotations are from the Conservative paper of Kingston. I now direct your attention to a quotation from the British Whig, a Liberal organ, dated a few days after August 28. This paper said:

> The Whig is under no obligation to defend these men politically, as they owed their choice, primarily, to the fact that they were good Conservatives. But they possessed, apart from their political calling, special qualifications for the work. Mr. Macdonell, the chairman, had for many years given penology a very close study. He was largely interested in the reform of erring humanity. Dr. Etherington was chosen, it is presumed, because of his professional training, and because one very distinct phase of the inquiry was of a man of unbiased mind. Mr. Downey was, in a sense, a specialist in the service to which he was called in this case.

Mr. Downey, as you know, was a member of the commission appointed by Hon. Mr. Hanna to inquire into the American system of penitentiaries and reformatories, and it was through the report of that commission that the Guelph institution came into existence. So much for the personnel of the commission. Perhaps I should say, in passing, that I think possibly it was unfortunate that the powers of the commission included the investigation of the charges of the hon. member for Frontenac and also an inquiry into general penitentiary conditions. At the time the commission was launched the

member for Frontenac readily admits that he was primarily concerned with the investigation of the personal charges against the men of whom he made complaints, and that he suffered annoyance when his chief witness, Accountant Hughes, did not come forward with evidence of the state of facts, as he had hoped he would. The net result was that very soon the commission and the hon. member for Frontenac came to grips, and there were several lively sittings, if one may judge from the report in the daily papers throughout the country. I had not the privilege, or rather I did not take advantage of my opportunity, of attending the commission, and therefore as to what took place I must speak purely from hearsay; but I am satisfied that if the commission came to an erroneous conclusion as to the weight to be attached to the evidence given before them, that conclusion was an erroneous conclusion honestly reached. There was no such thing as what the hon. member for Frontenac calls "deliberate misrepresentation." In support of the statement that the members of the commission were characterized by deliberate misrepresentation, the hon member for Frontenac draws the attention of the House to the fact that in the commission's report they make reference to certain paging in the evidence, but do not give a reference to those pages. I think if the hon. member for Frontenac had stopped for a moment to consider the matter he would have readily seen that the report of the commission, as submitted to the Minister of Justice, would necessarily be typewritten or written in longhand and the evidence given before the commission would be in typewritten form. In other words, if the commission in their report had placed the number of the pages in the report it would not be the same number of page if the evidence had been printed. The commission at the time they submitted their report were not in a position to know whether or not the evidence would be printed. They knew the evidence would be offered to the Minister of Justice, but they could not know whether or not that evidence would come in a printed form to the House. They therefore did what any lawyer, what any member of a commission would naturally do: they left the page blank but made a reference to the paging with the intent probably that that paging would be put in by whomsoever had the report printed and submitted for distribution. The hon. member for Frontenac draws attention to the fact—

Mr. EDWARDS: Could they not have referred to the page of the typewritten evidence?

Mr. NICKLE: My hon. friend from Frontenac asks me if that could not have been done as well if the page of the typewritten evidence had been put in. It would have been most misleading if the evidence had been printed. The printed pages would have been totally different from the typewritten pages. The documents of the future would have referred to the typewritten reports, and confusion would inevitably have resulted.

Mr. EDWARDS: If they had the typewritten documents printed, how would they know to what page the commission referred?

Mr. NICKLE: It certainly shows no deliberate intention to deceive on the part of the commission.

The hon. member for Frontenac has drawn the attention of the House to the case of Chartrand, a convict who escaped. He has said that Chartrand's case showed the intention of the commission to misrepresent, because they did not come to a conclusion in regard to the matter nor adequately report to the Minister of Justice. I should like the members of the House who happen to have in their hands the report of that commission to turn their attention to page 22, charge (e):

> Charge (e): That the deputy was guilty of gross neglect of duty resulting in attempts to escape.
>
> The particular case cited was that of Chartrand, a convict, who cut through the bars of his cell and got into the yard of the prison, and the charge is that an inexperienced guard and inefficient guard had been placed in supervision of this convict. This case was fully investigated at the time by the minister, and Guards Smith and McConville were suspended for their conduct in the matter.

And there is much more with which I will not weary the House. There was an inquiry before the Minister of Justice covering some 30 pages. The minister gave judgment, and this is the last clause of the inquiry referred to on page 23 of this report:

> The minister's judgment reflects on "the insufficiency of the right surveillance provided" and "concurs in the suggestion" that the warden and deputy warden be censured for neglect to profit by the attempted escape from an adjoining cell last year," etc., etc. There is no suggestion of such censure in the inspector's report, it does not appear in the record, so that we are unable to attach to it the correct significance, but considering that this whole matter was fully dealt with and adjudicated on by the minister at the time of this occurrence, it should

not again be made the subject of a charge before this commission. In any case, the whole record is on file and can be referred to, if, in the opinion of the minister, the matter should be reopened.

That makes it amply clear in that one particular case to which the hon. member for Frontenac has directed the attention of the House, the commission placed the matter before the Minister of Justice for consideration because he had the evidence in his possession. It is not my intention to follow the hon. member for Frontenac through the numerous cases cited by him from the evidence. I have not had the pleasure of seeing a copy of the evidence, and those of us whose duty it has been through life to value evidence know how easily it is to pick out evidence here and there and make a tolerably well-founded argument. I am not going the length of saying that the hon. member for Frontenac is not correct in his conclusions, but I say that he loses sight of a great opportunity for good when in his zeal to secure the dismissal of two men—and the hon. gentleman to-night has made out a strong case for their dismissal—he blinds himself to the importance of this report. That this commission did not intend to cover up or shield anybody is seen from the fact that they reported in regard to the present physician in a way altogether beyond the charges made by the hon. member for Frontenac. Take, for instance, page 12 of their report in regard to the condition of the insane wards. No charge was made by the hon. member for Frontenac as to the condition of the insane patients, but this is what the commission says:

It being generally agreed that the condition of the insane is and has been for years altogether unsatisfactory, the question "who are responsible?" demands an answer. The responsibility falls primarily upon two men, the surgeon and the inspector. The former, in his annual reports, should have given expression to views such as he presented in his evidence before the commission. This was clearly his duty and would have relieved him of responsibility, but unfortunately a perusal of his reports leaves one with the impression that the state of the insane left nothing to be desired.

Could there be a more drastic criticism of the surgeon than that? Turn to the hospital in regard to which the surgeon was responsible:

The operating room (so-called), where serious cases have been, and must be dealt with as they arise, has an old wooden table but no other equipment. When your commissioners visited this room, many old books lay about the floor and the place was not clean. In all, there was a

condition of affairs which should not have been tolerated. Again, there is to be noted an all but complete absence of satisfactory records. Inspector Stewart's commendation of the existing conditions can only mean that he is not competent to express an opinion upon this aspect of prison management. Although his annual reports give a different impression, the surgeon in his evidence before the commission stated that many changes were necessary to make the hospital what it should be. . . .

We have no hesitation in reaching the following conclusions:

The hospital, in building, equipment, and sanitation is inadequate and out of date, and the personnel is not adapted to proper hospital administration.

There should be provided a new hospital, modern in plan and equipment, and the hospital staff should be reorganized, the members to consist of: A visiting surgeon, a resident physician, two trained male nurses, and convict orderlies.

Could there be a more drastic criticism of the surgeon than that? I cite these instances only to show to the House that it was the intention of the commission to shield nobody. They evidently felt the evidence in regard to specific charges was not sufficiently strong to warrant conclusions that may have been in accord with the wishes and intent of the hon. member for Frontenac. That was probably the conclusion of the commission. But this shows clearly that the intention of the commission was not to shield but rather to lay bare to the public view the existence of facts as they found them at the Kingston penitentiary.

What were the reommendations of the penitentiary commission? I should like these to go on Hansard for the guidance of future members of Parliament:

Recommendations.

Your commissioners beg to make the following recommendations:

Management.

(1) That the control of the penitentiaries be placed in the hands of a permanent commission of three members, with power to appoint staff officers and heads of departments, make regulations for the government of the institutions and generally direct their management.

(2) That under such commission the warden of each prison be given full authority to employ and dismiss keepers, guards, etc., in addition to the powers he now enjoys.

(3) That a Parole Board of not less than three members be appointed for each penitentiary, to sit once a month and to hear and consider applications for parole, and make recommendations on the same to the Minister of Justice.

(4) That the field staff of the parole organization be increased to three officers to be directly under the charge of the Department of Justice and work in conjunction with the local parole boards.

Classification.

(5) That an arrangement be entered into with the provinces of the Dominion to take over the custody of first offenders and prisoners under twenty-five years of age.

(6) That should it be found impracticable to carry out recommendation No. 5, two reformatories for young prisoners and first offenders be established—one in the East and the other in the West.

(7) That within the present penitentiaries a system of classification be inaugurated, based upon the conduct of the prisoners, and operated with a view to encourage them to habits of order, industry, and a better appreciation of the duties of citizenship.

Industrial Employment.

(8) That what is known as the State-use or Public-use system of prison labour be adopted throughout the penitentiaries and that industries be established to supply the requirements of the Government, its institutions and services, with all goods that can be made in prison.

(9) That outside labour be developed to the fullest possible extent at each prison, in farming operations and, where raw material can be conveniently obtained, in quarrying stone, making brick, etc.

Treatment of Prisoners.

(10) That a thorough physical and mental examination be made of each prisoner on his admission, and as far as possible his antecedents and family history be obtained and put on record; and

That a proper filing system be installed at each penitentiary, so that the history, physical and mental condition of the prisoner on admission and his record in prison may be kept in one envelope.

(11) That the close cropping of prisoners' hair be abolished, except in cases where it is necessary to preserve cleanliness.

(12) That in place of the present prison uniform a suit and cap of one tone material, blue or grey, be adopted.

(13) That a few copies of a carefully censored weekly newspaper be provided in each prison for the use of good-conduct prisoners.

(14) That a moderate issue of tobacco be made to good conduct prisoners who had contracted the habit before entering prison.

(15) That as soon as space can be provided a dining-room equipped with proper service be established at each prison for all good conduct prisoners, and that meanwhile the tinware utensils in use be discarded and enamel-ware substituted.

(16) That hosing of convicts and confining them in a dark cell or dungeon and shackling with ball and chain be abolished.

The Hospital and Insane Ward.

(17) That a hospital, modern in plan and equipment, be provided.

(18) That the hospital staff be reorganized so that it comprise a visiting surgeon, a resident physician, and two trained male nurses.

(19) That a separate institution for the criminal insane be established or that arrangements be made with the Provincial Governments for taking over this class.

The School.

(20) That a school of letters be established te each prison, and for three hours at least each day instruction be given by a head teacher and inmate monitors.

(21) That drill exercises be held every Saturday afternoon when the weather is suitable, and on the afternoon of every holiday; and that an occasional entertainment be given.

Disciplinary Officers.

(22) That in the employment of guards more regard be had to the character and education of the applicant, with a view that the official should exercise the best possible influence over the prisoner.

Indeterminate Sentence.

(23) That the Criminal Code be so amended as to empower judges to impose a maximum and minimum term of sentence on all persons committed to a penitentiary, the period of detention to be fixed by the Parole Board.

May I ask you if that strikes you as a report of a commission which was unable to correctly size up existing conditions, or the report of a commission that had not the interest of our criminal population at heart? It strikes me entirely the other way; it strikes me as the report of a commission which desired to be thorough, which gave to the subject the best that was in them. If, in their conclusions,—and there are conclusions and recommendations in this report that would not meet with my approval—if I say, in their conclusions, they err let us at least give them the credit of being honest in what they did and in what they said and of being desirous that the best possible results might come from their inquiry. We are all expressing our views in regard to penitentiary administration and I suppose that one man's opinion is just as much good as that of another. Somebody has said that every man who rides down the hill to the penitentiary in a motor car thinks himself competent to express an opinion as to how that penitentiary should be managed. I have done more than ride down hill in a motor car to the Kingston penitentiary; I have been through that penitentiary time and again and there has never been a time that I have gone through that my heart is not stirred with pity at the scenes I have there witnessed and I have always felt that it is worth while trying to save any man no matter how degraded he may be.

I sincerely doubt if we are going about it in the right way under our present penitentiary system. I think that my hon. friend from Frontenac is perhaps right in this, that the system is wrong and that before things are going to be better you will have to get a different system. I do not believe you can run a penitentiary system over a long distance telephone. I

do not believe you will get the right sort of man as warden of the penitentiary so long as he is subservient to a central authority. If you are going to better penitentiary conditions in this country you will have to get a big man to take the position of warden, a man who will be master of the job, who will realize the importance of the work and who will realize that if he cannot do things as they should be done the job is not worth having and who, rather than do things that he does not believe to be right, will vacate his position and give up the work to some one else. You cannot run a penitentiary system in my judgment by having a central inspecting bureau dictating to and controlling your warden. Under such a system as that you develop a condition of apathy, indifference, and a desire to work along the lines of least resistance rather than a desire to improve and better the conditions of the penitentiary.

In regard to work, it is the easiest thing in the world to say that work should be provided for convicts. Inspector Stewart, in report after report, has recommended that work be found. It is a difficult thing to find work for convicts in this country. In summer time it is easy enough to buy a few hundred acres of land and, if you have sufficient guards, to put these men out on the land. But you have long winter months and for six or seven months in the year it is impossible to develop along agricultural lines and the men must necessarily do their work inside. What work are they going to do? It certainly is unfair that convict labour should be brought into conflict with free labour. Free labour has the right to get the product of its toil and that product must not be undersold by the product of the penitentiary. If you are not going to bring the labour of the penitentiary into conflict with free labour how are you going to work out the scheme? I am inclined to think that possibly my hon. friend from Frontenac is right in saying that you should allow the penitentiaries to supply the State's needs. It has been done in the state of New York and I believe that the labour interests of the country are big enough and broad enough to realize that just because a man has made one, or possibly two slips, that does not put him outside the universal brotherhood of man or that therefore some arrangement should not be made by which penitentiary labour could be productively employed.

I agree with my hon. friend from Frontenac that the stone pile iniquity should not be tolerated for another hour. To see men and boys, hour after hour and day after day, pounding away on that stone pile is something that cannot fail to arouse sympathy. No sooner is one load of stone carted away than another is brought in. It reminds me of one of the mythological tales, according to which a man had to roll two stones to the top of the hill, and his punishment was complete when both reached the top. When he got one stone the whole way up, for some unaccountable reason the hill shook and the stone rolled to the bottom. There is nothing original about this work, there is nothing productive, there is nothing to stimulate ambition, and after a man has broken stone for a long time he has broken his soul, and his spirit and ambition have left him.

Take the question of the children that are in the penitentiary. My hon. friend from Frontenac has stated that ten per cent of the population of the penitentiary is under 20 years of age. I have seen children in our penitentiaries 16, 17 and even 13 years of age—I am not so sure about 13 years of age—sent there by irresponsible magistrates and judges, and yet I have heard it stated that these children, who could neither read nor write, should not have the privilege of a simple education because, forsooth, we might be educating criminals. I would like to ask the man who advocates that doctrine if it is not better to believe that, instead of educating a criminal, you might be making an honest man? If we are going to have children put in our penitentiaries, let us make some arrangement by which they can get a reasonable education; let us turn them out into the world with the rudiments of an education, so that when they come to fight their own battle of life, they may have the accomplishments of the common school, and not be ignorant of the simpler things of life.

I am glad to say that the insane problem, I believe, has been solved. I understand that arrangements have been made with the provinces by which the insane population of Kingston penitentiary is to be taken charge of by the various provinces temporarily. That is a move in the right direction. It recognizes that insanity is a disease, and that the insane are capable of being treated in such a way as to bring about improvement. It is not necessary to revert to the soul-harrowing conditions which existed in the insane ward at Kingston. These conditions are gone. My hon. friend from Frontenac deserves

credit, and it must be a gratification to him to know that at least this amelioration has been brought about in the condition of this unfortunate class of people.

As to suits, cropping the hair, and all those things, I do not know whether they amount to much or not. But some great soldier has well said that if, during a campaign, you allow your soldiers to be unshaven and unkempt the army soon becomes a rabble, and the rabble, a mob. I suppose the philosophy of that remark lies in this, that if you want to make a man self-respecting, you must make him tidy and feel that he is a man. One thing that struck me in the penitentiary was the garb of the convicts. What is the sense of insisting upon such a garb? The whole thing lacks, may I say, tone. It is slovenly in its detail and degrading in its colour. If we must have a distinctive garb, let us have one that will fit the man well. Let it be cut in such a way that he feels that he is still a man, and let the colour not be such as to offend his eye. It seems to be a little thing, but these are the little things that enter into the life of the convict. Let him remember the higher and bigger things in life, and do not insist upon these little things that serve only to degrade his manhood.

I had a request from a boy, who had been an accountant in a bank and who had made his first slip, and who was really heart-broken because he could write home to his mother but once in two months. What possible harm could there be in that boy writing home and benefiting by the home influence? You may say: We must have discipline. That is true, but surely the influence of home is worth something in the development of the youth.

Why all these cast-iron regulations? Discipline there must be, but let there be discretion with the warden, and if there is discretion in the warden, I believe there will be an improvement in the condition of the convicts.

As I said in the beginning, I am not going to criticise the remarks of the hon. member for Frontenac (Mr. Edwards) as to the correctness of his deductions from the evidence. I am not in a position to do so, because I have not had the evidence before me. But I do believe these commissioners were actuated by honest motives. I do believe that much good will come from their work. I think that the hon. member for Frontenac has sown the seeds of big things, and if we can develop some system by which hope will be stimulated in the minds of the men who pass through our penitentiaries, and by which they will leave these institutions with the idea that better things are in store for them, the hon. member for Frontenac will have done a great work.

In Montreal the other day the Solicitor General made the statement that since 1899, 6,540 prisoners had been released from the penitentiaries on parole; that only 192 of these were convicted of crimes within the period of their parole, or 2·9 per cent of the total; that 226 violated their parole and had to be returned to the prisons, or 3½ per cent; and that the total number who did not make good was 418, or only about 6 per cent. If 94 per cent of the men who are released on parole make good, why should not more of the men make good who serve out their sentences, provided they have a reasonable chance? I agree with the hon. member for Bruce (Mr. Clark) who said that men should be let loose from the penitentiaries with hardened muscles and with bronzed skin, with the consciousness that they have another chance which it is worth while to take advantage of, and with the feeling that during their period of incarceration they have not been oppressed and down-trodden—I was going to say tortured, but I will omit that word. If you eliminate from a man the last sign of manhood while he is in a penitentiary, there is little chance that when he is released he will feel it worth while to try and win back in society the place which he lost.

Mr. EDWARDS: Like other hon. members in the House, I appreciate the flow of language of my hon. friend (Mr. Nickle) and his ability to argue on one side of a question on general principles, and on the other side of it on specific instances. The hon. member has once again repeated what he said last session, and he has intimated that in my anxiety to see a couple of officials removed from their offices I lost sight of the greater opportunity. That, of course, was intended to draw to the attention of the House what he considered my narrowness of view, and to give evidence that he was still possessed of that breadth of view which characterized him a year ago. Let me say that I do not care a snap of my finger who is deputy warden, or warden, or surgeon, or an employee of any kind in Kingston penitentiary, or in any other penitentiary. If any of these officials, on my charges, were to be removed from office, I have no persons to nominate

to take their places, and I have no intention of nominating any one. I have given what I consider good reasons why these men are unfit for their positions, and if these reasons do not appeal to the Minister of Justice, very well: he has the say in that matter, not I. If also the hon. member for Kingston cannot see the evidence as I do, he has, of course, a right to his own view.

Mr. NICKLE: I said I knew nothing about it.

Mr. EDWARDS: The hon. gentleman says he knows nothing about it, but that is not my fault. He had numerous conferences, some twenty-two or twenty-three, with the chairman of the commission while the investigation was being held, with regard to matters connected with the commission, evidence and otherwise, and I can readily understand his position here to-night with regard to the members of that commission, for I think that probably I am right in saying that they were recommended by himself. They are at all events constituents of his, and if I cannot agree with him in regard to their handling of this matter, we will simply have to differ. The hon. member rather found fault with me for quoting so extensively from the newspapers, and he said that it was possible we might attach too much importance to the press. Well, he gave the same quotations as he did a year ago, from the Kingston Standard and the Kingston Whig to justify himself. I also read a quotation from the Standard, and as my quotation from the Standard was of a later date than the one the hon. gentleman quoted, I might argue that it indicated that a change of opinion had come over the Standard as well as over myself in regard to the capability of these commissioners.

The hon. gentleman lost sight of my argument re McConville and Smith. My point and my sole point on this was that in appointing as guards men like Smith and McConville, one of whom had been reprimanded fourteen times within a few months for neglect of duty or for performing his duty inefficiently, and the other of whom had been suspended for being drunk, the deputy warden did not show good judgment. That is my view and my argument, and that argument the hon. member lost sight of entirely.

It may be that I have lost sight of a great opportunity, and that my hon. friend has been more happy than I in being able to see a great opportunity for reform. I contended, and I gave reasons for my contention, that in order to effect reform it was necessary to change some of the officials who, in my judgment, had proven themselves decidedly inefficient. I am sorry if my hon. friend and the minister cannot agree with me in that. It seems to me that I gave facts enough to show that these men were corrupting that institution, and I might quote from the words which Shakespeare puts in the mouth of Brutus:

> The name of Cassius honours this corruption,
> And chastisement doth therefore hide his head.

I would like to have the eloquence of my hon. friend to picture the conditions as they are in that institution. I venture to say that had he made the charges and the deductions from the evidence on which I sought my substantiation of these charges, he would have made a case very much stronger than I did, because of his exceptional ability not only as a speaker, but as a lawyer. However, he has not chosen to regard that side of the case at all. He contents himself with saying he did not look over the evidence. He says that the matter is one of great importance, wonderful importance. If it is of so great importance, and I do not dispute that it is, it is strange that it is not of sufficient importance for him to have given the evidence his attention. Might the hon. gentleman not have given the evidence some of his very valuable attention, in order that he might have drawn correct conclusions? I may not be able to deduce the facts from the evidence so accurately as he can, but I have at least looked the evidence over carefully and I have used what brains I have in trying to come to a proper conclusion. The hon. gentleman has placed his views before the House and has given us the benefit of his wisdom without having looked over the evidence.

So far as the commission is concerned, I can repeat, if necessary, what I said this evening. The men on that commission lost a great opportunity; they showed again and again throughout the investigation that they were determined, so far as it lay in their power, to prevent evidence from coming up which would reveal those prison officials in their proper light. I can give dozens of cases to show that they misrepresented the evidence. They misrepresented Greer's evidence beyond the shadow of a doubt. I gave the page of the evidence, and any hon. member can consider for himself whether or not they properly represented

that evidence. For instance, on page 19, the commissioners say that the charges made refer to the present state of management of the penitentiary. That is a misrepresentation. The charges do not represent anything of the kind. The charges are there to speak for themselves. As to whether they went back of the present time is another matter. The commissioners said that the charges referred to the present time, when it was quite clear that some of the charges went back several years. Some of those charges were shut off, because they went back of the present time.

In regard to the question of testifying falsely, the commissioners say on page 19, that that matter was considered; that it was under investigation before. That matter was never under investigation. That is a misrepresentation on their part again. Here is another one. Montgomery complained, they said, because his post was not changed as often as were those of others. Montgomery said that he resigned his position as guard because of unfair treatment by the deputy. Therefore that is a misrepresentation on their part. When such things as that appear on page after page of the report, am I not justified in saying that the commission deliberately misrepresented the evidence brought before them? If they did not deliberately misrepresent it, then why did they make statements which were at variance with the facts?

I do not know that it is necessary or advisable to argue the matter as to the personnel of the commission. The hon. member for Kingston has one view; I have a view which does not accord with his. He says that the system is wrong. I agree with that view. I say that the best system ever devised cannot be a success in the hands of men who have proved themselves as inefficient as those men have.

It is not fair to me for my hon. friend to represent me as being actuated solely along the line of the charges that I have made. I have made certain charges. If I have not justified myself in making them, I am in the judgment of the House in regard to that. But I repeat now, what I have said before and what I think my hon. friend should at least give me credit for, that my object is and has been to reform and improve conditions in our penitentiaries. The matter of the officials is of very secondary importance. The important matter is the changing of the conditions. I am honest in my belief that those conditions cannot be changed under such men as the present officials. The main point is to effect those changes. I would be taking a very illogical position if I advocated here change and reform in our present conditions under the management of under-officers who, I fully and honestly believe have demonstrated their absolute inefficiency for the positions which they hold. Whether I have made myself clear to my hon. friend the member for Kingston or not, I hope that I have made my position clear to the rest of the House. Last year he thought that I was holding a cent so close to my eye that I could not see the light of the sun. The hon. member for Kingston is not the only man who can see farther than the end of his nose. He is a very clever man, of course, but he must not allocate to himself all the knowledge and all the breadth of vision in this country. I can hardly allow my hon. friend to do that. He has given lessons to members of this House, even to the Prime Minister; and he may feel, because he has done so and has got away with it, that small fish like myself do not count for very much. I may not; but if any imputation is thrown at me, I am going to fight back whether I am successful or not.

Mr. DOHERTY: I regret very much to delay the passing of the Estimates; but at the same time I presume it is due, if not to myself—after the description of myself which the hon. member for St. Lawrence gave, I feel that there is not very much due to myself—to the hon. members who spoke and to the importance of the subjects with which they dealt, that I should make some answer and give some expression of my own views as to the matters that have been dealt with.

There is no possible question about the importance of our making every possible improvement in the method of dealing with out criminals. That is a very good cause, and I want to express my appreciation of everything that each of the members has said in support of that cause. I might perhaps take the liberty of pointing out that strong language does not always help the cause in which it is invoked, and that exaggeration of statement positively hurts any cause in support of which it is invoked. When the hon. member for St. Lawrence (Mr. Bickerdike), for instance, described me as going about with the brand of Cain upon my brow, I do not know that it convinced any one that capital punishment ought to be abolished.

Mr. BICKERDIKE: I beg the hon minister's pardon. I did not say anything of the kind. I said that was the statement made by one of my hon. friend's own employees, Mr. Radcliffe.

Mr. DOHERTY: When he quotes my employee, who by the way was not my employee, I do not think that aids him to convince people that capital punishment ought to be abolished; nor do I think that the numerous strong expressions, which the hon. member for Frontenac (Mr. Edwards) quoted from a number of newspapers as regards the conditions existing in our penal institutions, add very much to the weight of any argument in support of the improvement of those conditions. He must remember that the newspapers must have had their information from what took place in the course of the investigation, or if not from that source, from what was said by other persons to be the result of that investigation. That being true, the fact that one newspaper, or another newspaper, described conditions as barbarous, disgraceful, indefensible, and so on, is absolutely nothing as statement of fact. That is the expression of these newspapers; we have not the advantage of knowing what was the evidence upon which they based those statements, save in so far as we may assume that they based them on the evidence taken before the commission of investigation—and that sends us right back to where we were before the newspapers talked about it.

I sympathize with the idea of doing as much to treat every convict with such humanity as is consistent with his being detained at all. I go as far as anybody can go in the desire to see convicts treated with humanity, but when you are trying to treat the convict with humanity you must be careful, in your zeal, not to be unjust to those who occupy the position of being charged with the carrying out of the law, such as the law is, and with the administration of a system for the carrying out of that law which is prescribed by regulations made by proper authority. The hon. member for Frontenac very truly pointed out the unreliable nature of evidence which you are likely to get in investigations of this kind, by reason of the desire which the convict or the subordinate employee may have to avoid in incurring the displeasure of those who occupy positions of authority over him. I think, too, that you have to recognize the essential unreliability of the evidence of a conviction when directed against those whose position calls upon them to exercise authority over the convict, and who may have been called upon by existing regulations to exercise even an undue severity over that convict. In investigations of this kind you are necessarily face to face with testimony of a character which calls for the very closest scrutiny, both for the reasons pointed out by the hon. member for Frontenac, and for the reasons which I have just stated. I say that because I wish to add that from that results the absolute unsafety of taking every statement that is made by one or more witnesses placed in that position—witnesses whose testimony has to be weighed in view of the existing conditions—and say that it is true. We all know that evidence has to be weighed. We all know that one man's statement is not necessarily true, even when he believes it to be true. We all know that the statement of half a dozen men, contradicted by one man, may be an untrue statement, and that the one man may be telling the truth. Everybody whose calling in life puts upon him the duty of learning something about the appreciation of evidence, first learns the absolutely elementary principle that you must weigh evidence and not count witnesses. I can quite understand that in the position in which the hon. member for Frontenac found himself, as he described it to us this evening, he was in perfect good faith when he brought these charges, and I do not question his good faith to-night, when he re-asserted his belief in these charges. But there is only one way by which matters of this kind can be dealt with and determined. You must find a tribunal to decide when people differ about questions of this kind, and such a tribunal must necessarily decide in the one sense or in the other. It is not to be expected that the decision of such a tribunal will always carry conviction to the party against whom the finding is made, but those who are called upon to take action in consequence of the existence of a certain state of facts must be allowed to rely upon the determination of a tribunal of some kind and to govern themselves accordingly. That is the situation in which we are placed with regard to the action that ought to be taken as the result of the investigation that has been had. I am satisfied that all of us have but one common feeling in the desire to make the condition of the convict as tolerable as is consistent with the purposes for which he is detained. I think that even the

hon. member for St. Lawrence, Montreal, who has such a growing conviction of the hardness of my own heart, scarcely believes all the very forcible things which he said this evening with regard to my attitude upon this question. I do not know whether I shall be able to persuade him in that regard, but I know myself what my feeling is respecting the treatment of the convict, and I am satisfied that we are all agreed on that point. It is an unfortunate and much-to-be-regretted circumstance that this matter of general interest with which we are called upon to deal should find itself bound up with a question of charges against particular individuals. In saying that, I am not minimizing the importance of what the hon. member for Frontenac says when he points out that you cannot expect the best of systems to be worked to good results if you have not good men to work it out. Certainly, if I had to choose between the two, I think I should be disposed to prefer a bad system in the hands of good men to a good system in the hands of bad men. That does not alter the fact that it is regrettable that we have to treat these matters as connected; but the situation is such that we have to do it. I have the responsibility for the method in which this was done, and I am free to admit that possibly it would have been wiser to have separated the two things absolutely; to have investigated by one commission the charges which the hon. member for Frontenac brought forward against the two officers of the penitentiary Dr. Phelan and Mr. O'Leary, and to have left the general question of penitentiary administration and conditions to be separately considered by another commission. Possibly I was unwise in that regard.

Mr. EDWARDS: Was not the object of appointing the commission not only to inquire into the charges which I made, but also to inquire intelligently into matters in general?

Mr. DOHERTY: Certainly.

Mr. EDWARDS: As the hon. minister clearly sets forth in his commission, the commission was to investigate and report, final judgment in regard to the officials as well as in regard to the general question of administration to rest not with the tribunal, but with the department.

Mr. DOHERTY: No doubt the final decision and the final responsibility rests not with the tribunal, but with the department. For the moment I was pointing out that possibly it would have been wiser to separate the two things. The present remark of the hon gentleman is perhaps more applicable to something I said a moment ago about the necessity of these matters being determined by somebody. I am not seeking to shirk the responsibility of the decision that has to be made both as to the charges and as to the action that has to be taken. I would base what I say on this: We must have a method of reaching some finality upon this subject. What is the method which was adopted, a method which I think the hon. member himself would concede was a proper method. I think the hon. member will recollect that his own suggestion was that we should appoint a commission to inquire, and, as he says, to report. We selected a commission. If ever I tried to be careful to find an impartial commission and one with regard to whom there would be the impossibility even of suggesting that I had selected the members of the commission because I was looking for a result in one direction or another, I did it that time. Everybody was agreed, I think the hon. member for Frontenac was quite agreed, when those gentlemen were appointed, that I had succeeded in finding an impartial commission.

Mr. EDWARDS: I did not know anything about it.

Mr. DOHERTY: I will stand corrected if my memory deceives me, but I understood the hon. member for Frontenac, when this matter was discussed last year, to say, that at the time these names were announced as the commissioners chosen he had no fault to find.

Mr. EDWARDS: That is not quite correct, that I saw no reason why they could not perform the duties properly. I candidly admit that I said that, and I am free also to say that I decidedly have changed my opinion.

Mr. DOHERTY: I think we all quite realize that. What I wanted to point out was that I at least had got this far on a common road with the hon. member for Frontenac that I, from the best information I could get, believed I had got a perfectly impartial tribunal and he saw no reason why they should not perfectly carry out their duties.

Now, where is the parting of the ways? The parting of the ways between the hon. member for Frontenac and myself is upon the conclusion that the commission came to. His charge of opinion rests upon the conclusion that the commission reached and the method in which he considered, in view of the evidence, they reached that conclusion. So that we start with a commission, with no evidence to lead us to suspect the report of the commission, save the report itself. The hon. member for Frontenac discussed this commission last year and discussed this report. He discussed it on general lines, and he discussed it also with regard to the particular charges that were made against these two men. I said then that I would go into the evidence and compare it with the report, with regard more particularly to these two particular matters. I have tried to do that, putting into it the best capacity I had, and perhaps I may venture to claim that I have had some experience in the weighing of evidence. The result of my reading of the evidence, and my confronting of it with the report of the commission, I think it is only due to justice to say, is that, in so far as the charges against Mr. O'Leary are concerned, I can find no ground upon which I could disagree with the report. I am not saying, and no man can say, that the charges which the hon. member for Frontenac made were not true. But all of these matters have got to be judged on the evidence that is made. The member for Frontenac, I take it, had very much stronger grounds to believe these things to be true than he himself thinks that the evidence actually constituted. I have looked at that evidence, as I have said; I have compared it with the report, and I would be lacking in the courage to do justice if I did not say that the results of the exercise of the best judgment that I have been able to bring to bear upon that question is that the report, in so far as it finds the charges made against Mr. O'Leary were not true, is justified by the evidence that was made before the commission. I make no profession to infallibility in that regard, but I have the responsibility, as the hon. member has pointed out, of reaching a conclusion as to the correctness of that report, and I am satisfied, as I have said, that that report is in that respect correct; and I feel, as I said at the outset, that, great as is my desire and great as should be the desire of everybody to treat with humanity and consideration the convict that has erred, there is an imperative duty to do justice to the man against whom an offence is not established.

As regards the other charges, the charges against Dr. Phelan, you have got to divide the report which these gentlemen made between their report on the specific charges which were made and their general report upon conditions in the penitentiary that were not covered by the charges that were made.

I should say, perhaps, before I pass from this, a word upon the five years limit. I may say at once that the five years limit was not intended by me, nor do the words of the commission that I issued, nor do I think the words of that commission as interpreted by the commissioners themselves, involve any limitation of five years in so far as regards any particular matter. I may cite the words:

> Provided that the inquiries under paragraphs (a) and (b).

That is the management of the penitentiary and the conduct of the officers:

> Shall not extend back over a longer period than five years, except in so far as the commissioners may deem it desirable, in the public interest, to inquire into any particular matter or matters antecedent to such period.

I would like to point out the condition which I found. Particular charges were made against these two men by the hon. member for Frontenac. They were addressed to me, and he asked for a commission. I acknowledged that letter, and I pointed out to the hon. member that it appeared to me that if these charges as they stood were to be submitted to a commission it would be a fair thing to communicate them to the people charged in order that an answer might be made and the issue might go to the commission. The hon. member for Frontenac answered me and said he thought it would be more desirable if a commission were appointed, and then he would lay the charges before them. I acquiesced in that manner of dealing with it. Speaking from memory, I am not quite certain whether the hon. member for Frontenac suggested to me a wider scope of inquiry or not, quite possibly it was so. I know that such suggestions were made to me by different members when the question arose, and I may say it was an idea that I had in my own mind that it would be well to make a general inquiry and also to deal with particular matters. That general inquiry was of no interest save to enable me to judge of existing conditions, and certainly I think it would have been an unwise

thing to appoint a commission to investigate back to the time when the penitentiaries were started to ascertain how men who are dead and gone might have conducted themselves or what evils might have existed in the past. I was particularly careful to remove from them any restrictions so far as any particular matter was concerned which they might deem it desirable in the public interest to inquire into.

Mr. EDWARDS: I presume the minister has looked at the evidence, and must have seen that the time clause was invoked again and again by the commission and by the counsel acting for the persons charged.

Mr. DOHERTY: I have seen places where the five-year limit was combined with other considerations. I am not prepared to say that in 2,000 pages of evidence there is no case where exclusively upon the ground of the five-year limit something has not been excluded. But I think that while there may have been references to the five-year limit, there were also other considerations stated as justifying the refusal to go into the inquiry of some particular matter. For instance, the charge of perjury against O'Leary. To proceed to try a man on a charge of perjury fifteen years after the alleged offence, when persons who may have been thoroughly competent witnesses at the time have disappeared or died,—I appeal to the sense of fairness of my hon. friend whether that would be a fair thing to do.

Mr. EDWARDS: I would appeal to the sense of fairness of the minister and ask him if he made that suggestion to me at the time.

Mr. DOHERTY: I do not recollect that the charges specified a date at all.

Mr. EDWARDS: The charge referred to a former investigation, and my hon. friend knows when that investigation took place.

Mr. DOHERTY: I do not think I could tell my hon. friend now when it took place, and most assuredly, at that time, the statement as to a former investigation conveyed no specific idea of date to me. Moreover, I might point out to my hon. friend that when he told me that he did not want those charges communicated to the people charged, with a view to their making an answer, but that if I named a commission he would then make his charges, I must confess that I did not charge my mind with the particular words contained in his letter.

Mr. EDWARDS: I am sure the minister does not wish to misrepresent the facts, but he is not representing them correctly. I did not state what he says at the time that conversation took place. I said that as soon as the commission was appointed, then copies of my charges would undoubtedly be sent to the men charged.

Mr. DOHERTY: Of course, if I am mistaken I want to be corrected, but I think I can turn up the letter the hon. gentleman wrote me making the charges. This is the answer I made to that letter:

> I have your letter of the 2nd instant, in which you make charges against Deputy Warden O'Leary and Dr. Phelan.

And so forth.

> Before appointing a commissioner to make such inquiry, it would appear proper that the accusations should be submitted to the parties accused, for the purpose of eliciting any reply they may desire to make. Before communicating with these gentlemen, I desire to be informed whether you are willing that I should transmit them copy of your letter or if you prefer that the accusations be communicated to them in some other form. I may say that for the purpose of the contemplated investigation, my present intention is to issue a commission under the Inquiries Act, Chapter 104 of the Revised Statutes of Canada.

The reply I got to that was:

> In reply to yours of the 4th inst., re O'Leary and Phelan, I quite agree that copies of the accusations should be sent to the accused, but I am not sure that it would be in the best interests of a fair investigation to do more than that. The Commission of Inquiry which you propose to appoint, will bring out the facts and I am quite willing to go before that commission and restate what I have written to you.
>
> There are other officials of the Portsmouth penitentiary whose conduct should be investigated, and I hope that the commission will be given wide powers.

What I understood him to say was "I am quite willing to go before that commission and re-state the charges.

Mr. EDWARDS: Did you not say that the first part of the letter should be sent to the men accused?

Mr. DOHERTY: As I understand it—however, it is perhaps not very material.

Mr. EDWARDS: I think it is.

Mr. DOHERTY: My attention certainly was not called to the time at which the charge of perjury was made. Perhaps it was my oversight, perhaps sufficient attention was not paid on my part. But I only want to point out that when the commissioners said, as they did say, that they did not think that would be a

fair thing to do, it seems to me they were right in saying that, at all events. I may say, moreover, that an opportunity was given in a general way to the gentleman from whom my hon. friend got a large part of the information on which he has based his charges to make any statements with regard to matters anterior to the five years.

With regard to the charges against Dr. Phelan, it is not necessary that I should go over what the commissioners said. It seemed to me they reached a fair conclusion on that subject. What are the consequences that ought to be drawn from that conclusion is another matter. The first thing that struck me in dealing with this commission and their report was that the great material thing was to improve the conditions that were complained of.

Mr. EDWARDS: What conclusion did they reach about Dr. Phelan?

Mr. DOHERTY: I thought the hon. gentleman read it himself. However, I will read it if he desires. Here is where they state the responsibility for certain conditions:

> It being generally agreed that the condition of the insane is and has been for years altogether unsatisfactory, the question "who are responsible?" demands an answer. The responsibility falls primarily upon two men, the surgeon and the inspector. The former, in his annual reports, should have given expression to views such as he presented in his evidence before the commission. This was clearly his duty and would have relieved him of responsibility, but unfortunately a perusal of his reports leaves one with the impression that the state of the insane left nothing to be desired.

Then they go on to deal with Inspector Stewart.

Now here are the particular charges that my hon. friend desires that I shall read. I thought the hon. member was perfectly familiar with them at all events. There were four particular charges made. First he was charged:

> (a) With gross political partisanship.

And the commission says:

> The counsel for the Government properly says: "I do not propose to argue that the evidence adduced supports the charge of political partisanship."

The second charge is:

> Charge (b). The charge of "using violent and indecent language to a guard in the presence of others."

With regard to this the commission says:

> The charge of "using violent and indecent language to a guard in the presence of others" is established, but it is claimed that it was used in jest; the evidence leaves this uncertain. In any case, the surgeon entirely forgot the dignity of his position and the discipline of the prison in making use of the language in question; and the incident discloses an unhealthy state of things.

Then:

> (c) With conniving at the absence of a guard at an election trial where said guard was wanted as a material witness.

With regard to that the commission says:

> The commission did not consider this charge to be within the limits of their commission. It occurred thirteen years ago. Some of the parties are dead. It has no bearing on the present state of the prison.

Then there is the grafting charge, in regard to which they say:

> Dr. Phelan admits that in four cases he asked and received a small fee from an applicant for a guard's position as to his physical fitness, and this is a contravention of the statute, as he is not to practise his profession. He says he has not done so for several years. The amount wrongfully taken by him was $4.
>
> The foregoing are the only charges made against Dr. Phelan by Dr. Edwards.

I have not been able to find in my examination of the evidence any reason to question the conclusions reached by the commission not only upon these particular charges but in regard to Dr. Phelan by reason of the general conditions in connection with the hospital. The action that ought to be taken in consequence of that is another question. The first thing that seemed important for us to do was to proceed to remedy the conditions. The great condition that called for a remedy in my mind was that in regard to insane patients.

Mr. BICKERDIKE: Mr. Chairman, you were particular to call me to order. I would now call your attention to the fact that I do not think there is any quorum and you cannot conduct the proceedings of the committee without a quorum.

Mr. ROGERS: The hon. gentleman is mistaken.

Mr. DOHERTY: I think the hon. gentleman will have to make another count.

The CHAIRMAN (Mr. Sevigny): I think the point of order is well taken: there are only 15 members in the House.

Mr. Speaker having resumed the Chair,

Mr. SEVIGNY: I beg to report, Mr. Speaker, that there is no quorum.

Mr. SPEAKER: It is probably my duty to make the count. There are 22 members

in the House, which is two more than a quorum.

The House having resumed in Committee of Supply, Mr. Sevigny in the Chair:

Mr. DOHERTY: The first thing that seemed to call for improvement was the condition in regard to the insane convicts. Sometimes, when you improve a system, you alter the situation in regard to individuals. Very shortly after the close of last session I took up the matter of the removal of the insane. It was not a thing that could be done in a day. Arms were not held wide open to take these people off our hands. It was a matter of persuading the provincial authorities to allow these men to be removed. It took some months of correspondence, and it might have been done more promptly if there had not been other matters of considerable importance that occupied a great deal of the time of the Minister of Justice. We have not lived an ordinary year, and it is not only penitentiary matters that have had to wait. It was necessary for me to deal with this matter personally before I could bring about any consent to take these insane persons off our hands. I do not think this is the best way to deal with this question. I hope we shall have an institution under Dominion control for convicts of this class, but in the meantime we have adopted the best possible method of disposing of the matter. We are now dealing with the whole system of the regulations and with the whole body of the recommendations. They are important recommendations. Many of them commend themselves to my judgment, although I do not agree with them all. I have taken means of ascertaining to what extent precisely they ought to be carried out. I thought that in dealing with them it was a reasonable and fair thing that I should endeavour to have the views of the men who have experience in administering the penitentiaries. I do not look upon them as being infallible, but I think it is the part of wisdom to have the benefit of their judgment. These recommendations have been submitted to all the different wardens and we have received the last of their reports. We propose now to take up the question of making regulations.

As regards what has been said about tubbing and hosing, it is hardly fair, although I do not impute any intention of unfairness, to let it go broadcast to the world that this tubbing is a matter of recent occurrence. I followed the hon. gentleman as carefully as I could, and if I am not mistaken the last case which he described as tubbing was a case that occurred seven years before the evidence was given. At all events, I think we can agree that it was a number of years anterior to the time when the evidence was given, which was in 1913. I would say that it was five or six years before the evidence was given, which would place it in 1907 or 1908. In face of that circumstance I think we might fairly say that tubbing is not one of the things we have had to contend with to-day. In regard to this punishment of hosing, we have had no recent case. The hon. gentleman says that my answer gave it as May, 1913, and that the witness to whom he referred said it was in July. I think the witness he refers to must be mistaken. It is only a matter of two months anyway, but the reason I think is, as I say, that since the beginning of the wardenship of Colonel Irvine there has been no hosing, and the wardenship of Colonel Irvine began about July. However, it is not very material, except as a matter of absolute accuracy.

Mr. EDWARDS: I think that if my hon. friend looks at his brief he will see that the evidence of Grey is that the last tubbing took place in July, 1913.

Mr. DOHERTY: I am only pointing out why he must have been mistaken, but at all events it does not matter very materially. I wish to say with regard to this punishment that I am not here to defend it. It is a punishment provided under regulations, and I am informed it was approved by Order in Council on the recommendation of the Hon. David Mills, who certainly was known in days past as a most humane man, and I am informed, with the approval of Sir Oliver Mowat, who was also a humane man. I may also point out that the majority of the wardens of the penitentiaries, men of high character, and some of long experience, looked upon this as a desirable form of punishment as a last resort. I do not point this out for the purpose of saying that it is a thing that ought to be continued, but for the sake of showing that it is not fair to condemn as cruel for the infliction of this punishment a man holding office in which it is prescribed to him by higher authority that this was a suitable punishment to inflect.

We have taken up this whole subject very seriously. We have not been able

to deal with it as promptly as we would in another year, and under other conditions, but it is not helpful to us, when we are trying to introduce improvements, to have it stated in the press and elsewhere that to-day we are doing barbarous things. I heard it stated this afternoon, by an hon. member, that he had seen instruments of torture in the penitentiary, and I would be glad to know what these instruments of torture are, because I certainly have no desire to see them there. I want to point out how unfortunate it is that we should have statements go forward, without evidence to support them, as regards the condition of the penitentiaries to-day. I had occasion the other evening to read a statement from the warden of the Kingston penitentiary as to the conditions there to-day, and since he has been warden, and certainly that statement discloses no condition that would justify the description which was given by the hon. member for St. Lawrence (Mr. Bickerdike) to-night. I know that the representation made by the hon. gentleman was made in good faith, but fortunately it is without foundation as regards existing conditions in the penitentiary.

We have completed the arrangements with regard to the care of the insane, and this great improvement necessarily creates a new situation in Kingston penitentiary. There is another question very close to that and which to my mind comes next to it, and that is the question of the whole system of medical attendance. I am sure the hon. member will agree with me that this is a most important question. There is more in that question than the position of one man; there is the question whether a different system in securing medical attendance for the convicts is not desirable. Before we come to deal with one isolated case it would be wise for us to come to a conclusion on the subject, because what may happen in a particular case may be affected very gravely by what conclusion may be reached on the general question.

I would ask nothing better than to have the time and the opportunity to bring about improvements in the conditions in our penitentiaries, but I want to say perfectly frankly that I can hold out no hope to anybody who thinks that between now and to-morrow, or between now and next week, or between now and next month, we can have an ideal system of penitentiary administration. It is not possible to effect improvement in such great haste as some people would seem to think. We are at the beginning of things in the way of improvement, and we will have to go step by step. I believe we will in time bring about improvement, and I hope to have the co-operation of those hon. gentlemen who desire it as earnestly as I do. I shall count upon the assistance of the hon. member for Frontenac (Mr. Edwards), just as I shall count upon the assistance of the hon. member for Kingston (Mr. Nickle), and even upon the assistance of the hon. member for St. Lawrence (Mr. Bickerdike), if he gets himself into a frame of mind where he can believe that my heart is not so full of the spirit of vengeance as he affected to think it was. I do not promise the hon. member that the penitentiaries shall become such pleasure resorts as the Colorado prison that he has described. With the time that has been at my disposal I have done my utmost to bring about improvement, and I hope to be able to bring about still greater improvement. It is only frank and honest on my part to say that I believe that those are mistaken who nurse the idea that you can carry on institutions which only have the right to exist because it is the duty of society to punish offenders, by leaving out the element of punishment. I do not pledge myself to any undertaking of that kind. Of more importance than the condition of a particular convict is the question why society has the right to punish a man, and my belief is that the real reason why we have the right to arrest and detain a man is in order that the punishment he receives may serve as a deterrent to others. Incidental to that punishment I would be glad to do everything I can to reform. Under no circumstances would I countenance anything that would not be humane. But when it is suggested that a penitentiary should cease to be a place where people are punished, that the conditions in it shall be made such as it shall cease to be a punitive institution, then I think the time will have arrived when the state would have no right to maintain such an institution. We have no right, in my judgment, to imprison a man exclusively for the sake of reforming him; our right rests on the necessity of punishing him to protect society, and when the necessity for punishment will have disappeared, the right to imprison will have disappeared also.

Mr. BICKERDIKE: Would the hon. gentleman not go a little further and say

that the punishment should be also with a view to reforming the prisoner?

Mr. DOHERTY: I have said that, so far as incidentally to this punishment you can do reformatory work, my heart is entirely with the hon. member for St. Lawrence. We must all bear in mind, however, not to lose our balance. It may be creditable to our hearts when we lose our balance; but it is incumbent upon some one to keep his head in this regard, and the man who has charge of the administration of justice has to remember that justice requires punishment for violation of law, and punishment such as will operate to deter those who witness it from following the example of the offender. I do not undertake to forget that; I would be forgetting my duty if I did; but so far as is consistent with that, anything that can be done to help reform the prisoner should be done; and, whether consistent or not with that, we must, of course, be humane. Punishment does not exclude reform. So far as anything is done that ought to be done as punishment, we ought to be assured that our punishment shall be humane; and so far as it is possible to make it serve as a reformatory influence, I shall be glad to co-operate with all those who will co-operate with me, and glad to do my best alone. If I do not get the co-operation which, after what I have heard this evening, I think I have a right to count upon.

Progress reported.

On motion of Mr. Rogers, the House adjourned at 12.05 a.m., Wednesday.

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Abbreviations.—1r., 2r., 3r=first, second, or third reading. Amdt.=Amendment. Com.=Committee. Con.=Consideration. Div.=Division. M.=Motion. Ref.=Reference. Rep.=Report. Res.=Resolution. Sec.=Section.

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