Germany’s Submarine Blockade of the Coasts of Great Britain has proved to be Mostly Bluff.
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CONSERVATIVES THANK LIBERALS.

THERE was a notable departure from the
generally accepted rules of Conservative party
meetings when the Lincoln County Conservative
Association, in annual meeting at St. Catherines,
Ont., on March 6th, passed a resolution in which,
as reported by the Toronto World (Conservative)
"the War appropriation passed by the Dominion
Government was endorsed and tribute was paid
of the loyal support of the opposition." This fair-minded and generous recog-
nition of the loyal co-operation of the Liberal
party under the leadership of Sir Wilfrid Laurier
did not at all suit Mr. J. D. Chaplin, the Con-
servative candidate nominated last autumn. After
the resolution had been unanimously adopted, he
protested against the convention paying any tribute
to the loyalty of Liberals, whether in or out of the
House of Commons, and demanded that the compli-
ment to the Liberals be expunged from the resolution.
To the credit of the convention it is recorded that
the mover of the resolution flatly refused to consent
to the change and one delegate who supported Mr.
Chaplin in his request was literally "howled down."

DO TORIES RECOGNIZE A TRUCE?

HON. A. E. KEMP, Conservative member for
Toronto East and a member of Sir Robert
Borden’s cabinet, speaking at a banquet of the
Albany Club, Toronto, on March 6, made a state-
ment regarding the party truce. The following quoto-
ation is from the Toronto Telegram (Con-
servative):

"I want to say that there is no truce between
the Liberal-Conservative party and any other party,
and never has been. There may have been a truce
on some trivial matters," Mr. Kemp went on, "but
on the big issues we are prepared for war. We are
proud of our principles. Why shouldn't both parties
get out and discuss their policies?"

PRICE OF FIELD DRESSINGS.

EXHORBITANT prices actually paid by the
Government for medical field dressings for
Canadian soldiers wounded on the field of battle
have been revealed in the return from the Auditor
General of Canada, referred to in another column
as having been tabled in the House on February 25th.
Shortly, the facts are that a young man, E. Powell,
an apprentice employed in an Ottawa drug store in
which Mr. W. F. Garland, the Conservative mem-
ber for Carleton County admits he has a large interest,
was recommended to the Militia Department by Mr.
Garland, after Mr. Garland had arranged that Powell
be appointed Ottawa agent for a Chicago drug house
that makes a specialty of military field dressings.

Mr. Garland Said Price Was Right.
Powell was given large orders and the records
furnished show that he was paid about $18,000 for
these dressings, in spite of the fact that his prices
were questioned by Mr. H. W. Brown, director-
general of military contracts. A statement prepared
by Mr. Brown and forwarded to the Auditor-General
shows that he was given to understand by a repre-
sentative of the Chicago drug firm, who came from
Chicago from the purpose, that the price of the
dressings would be about 18 cents each. Powell
was given the order without a specific price being
stated, and billed the department at 23 cents per
dressing. This Mr. Brown refused to certify, and
after some further communication, Powell reduced
the price to 21 cents, which Mr. Brown still con-
sidered exhorbitant and still refused to certify.
Then Mr. Garland, the Conservative M.P., called
upon Mr. Brown and assured him "emphatically"
that the price of 21 cents asked by Powell allowed a
profit of only 5 per cent on the cost of the dressings.

Profit was over 40 per cent.
The accounts were certified at the rate of 21 cents.
Later, presumably, Mr. Brown discovered that the
price of 21 cents, far from allowing a profit of 5 per
cent on the Chicago prices, as Mr. Garland declared,
actually gave Powell a profit figured by Mr. Brown
at about 40 per cent. It was not a 5 per cent profit,
but a profit of 5 cents per dressing. Mr. Brown
thereupon demanded from Powell a refund of $2,822,
which he claimed to be the overcharge. So far as
is known, the refund has never been paid. After
the matter became public, Powell was interviewed
and was quoted in several papers as having declared
that he would not give up the money without a
fight. In his report, the Auditor-General says:
"I find that these goods could have been pur-
chased for 40 to 60 per cent less from the regular
wholesale trade, and think that an order amounting
to over $18,000 should not be paid for at retail
prices." The following are some comparisons of prices
paid by Powell and the prices he charged the Militia
Department:

<table>
<thead>
<tr>
<th>Item</th>
<th>Powell's Price</th>
<th>Dept's Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lint compound</td>
<td>5 ¹/₂c. doz.</td>
<td>10c</td>
</tr>
<tr>
<td>Wool cotton absorb</td>
<td>5 ¹/₂c doz.</td>
<td>10c</td>
</tr>
<tr>
<td>Gauze absorbent</td>
<td>$1 per doz.</td>
<td>$1.80</td>
</tr>
<tr>
<td>Ligatures</td>
<td>18c pkt.</td>
<td>30c</td>
</tr>
<tr>
<td>Bandages</td>
<td>$8 gross.</td>
<td>$12.00</td>
</tr>
<tr>
<td>Bandages, white flannel</td>
<td>$4.40 gross.</td>
<td>$8.00</td>
</tr>
<tr>
<td>Plaster of Paris</td>
<td>$2.50 doz. pkts.</td>
<td>$4.00</td>
</tr>
</tbody>
</table>
THE LIBERAL POLICY ON THE BUDGET

Speech of the Rt. Hon Sir Wilfrid Laurier in the House of Commons, March 10, 1915.

Liberal Amendment to Budget Resolution.

That Mr. Speaker do not now leave the Chair, but that it be resolved:

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 on the people whilst yielding little or no revenue, and that the said measures are 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.

THE Liberal attitude on the Budget brought down by the Minister of Finance early in the present session of Parliament, indicated by a number of Liberal speakers during the debate, was summarized and completely outlined by Sir Wilfrid Laurier on March 10th, in a notable speech, the full text of which is given herewith:

"Mr. Speaker, I rise for the purpose of summarizing the arguments which have been presented on this side of the House, on the subject now before us, and to present my views upon it in as concrete a form as possible. 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. To that engagement, then announced, we have been absolutely faithful. We would have deemed it contrary to our dignity and to our duty if we had at that moment, by word or deed, in any way impeded the Government in the heavy responsibility it had assumed.

"But it would be equally contrary to our dignity and to our duty were we to fail to point out most seriously, the laches and deficiencies which mar the resolution introduced by the Government, as it asserts, in consequence of the War, but, as I believe, only under colour of the War.

Responsibility in War, as in Peace.

"The attitude which we have assumed has in some quarters been avowed against us. They have urged against our course I for my part cannot pay any respect. The view represented by these objections, if it were to be adopted, would constitute a very serious stricture upon parliamentary institutions It would mean that parliamentary institutions, while good enough in time of peace, would have to be discarded in time of war. It would mean that the Government, which in time of peace under our system, should be kept under rigorous observation, in time of war should be given an absolutely free hand. It would mean that the Opposition, which in time of peace has the right to approve or disapprove, to oppose or to consent, would in time of war be inhibited from any criticism, even though wrong were to be rampant under our eyes. I have not so read parliamentary history. If the War with Germany had been wrong in principle, if it had been causeless or purposeless, if it had been without justification, we would have been ready to so express our opinion. For that course there are abundant precedents. There is the precedent of Charles James Fox, who in 1800 severely blamed William Pitt for rejecting the peace overtures of Bonaparte. There is the precedent in almost our own day of John Bright and Richard Cobden criticising and condemning the war of the Crimea, representing it as useless if not criminal—a judgment which, by the way, has been pronounced by history to have been absolutely correct. Here the case is different. We were of the opinion that Great Britain was supremely in the right; that she was engaged in a war the most sacred that she has ever waged. Being of that opinion, we did not hesitate to give to the Government our adherence when it proposed that Canada should bear her share in the War. To that course we have been absolutely true.

Kept Truce under Provocation.

"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. In so far as I had command of my party, I gave directions that no literature coming from a source which I could control should be of a party character. That injunction has been reasonably well fulfilled, and it has been fulfilled under great provocation, because, as a matter of fact—as was stated the other day by my hon. friend the member for South Renfrew (Mr. Graham)—every week from the official bureau of the Conservative party torrent of the most controversial kind of literature have been issued. It came to such a point that in the month of December one of my friends brought me a whole batch of such literature and asked me with some indignation: "What are you going to do?" After having looked at it, I said to my friend: "It seems to me that the Conservatives are more partisan than patriotic; we will show them that we are more patriotic than partisan, and we will not change our course." We did not change our course. It would not follow, however, and certainly it was never intended by me nor by any of those who sit around me that, when we were summoned to Parliament and called upon to pass judgment, to sanction or not to sanction the measures brought down by the Government in consequence of the War, we were to abdicate our

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judgment and to sit here as recording machines, simply to register the decisions of the Government. We are still of the opinion that the War is the supreme issue; but if we believe that in the method of carrying on the War, in the policy proposed by the Government, there be errors of judgment or otherwise, then it is our imperative duty to cry, 'Halt!' to show the mistakes, to point out the true course, and to use every endeavour to prevent the mistakes from being carried into effect. When we come to matters of this kind, it is always well to refer to England, where parliamentary government is certainly better understood than in any other part of the world."

**The Situation in Great Britain.**

"The situation in Great Britain is exactly the same as in Canada. There the duty of the Government and the rights of the Opposition have been again and again discussed, and the judgment of the country has sanctioned the course pursued by both parties. It may be well here that I should quote in this respect an article of great authority, published in the Saturday Review, giving opinion upon the very question which exists in England as it exists here to-day. I commend to the House the following language:

"The brilliant speeches of Lord Curzon and Lord Selborne last week will help to remind the Government that the right of criticism and inquiry is claimed in war time as well as in peace. It would be quite fatal to the Parliamentary system if this right were for a moment in question. It would reduce our political system to absurdity if the duty and function of an Opposition automatically ceased whenever the Government of the day was called on to grapple with a big and critical problem. In time of war, as in time of peace, it is the duty of the Opposition to watch constantly and jealously the men to whom the task is given of employing to the best of their ability the resources and wisdom of the country. 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 must consider itself as deputed to guard against any wasting of the nation's manhood or treasure. Should the Opposition become aware of, or should it reasonably suspect, incompetency or bad faith in any responsible minister or in any political group, it is its duty to speak out and call the accused to a strict account. Such action has nothing to do with party politics . . . ."

"The Opposition cannot surrender its right of criticism and thorough inquiry into such matters as these without grossly failing in its duty to the country . . . ."

"An Opposition in war time must not be factious, but it must be watchful, critical."

"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."

"To this I may add the comment of a paper published in this city, a paper which is not unfriendly to the Government; I refer to the Evening Journal. In its issue of a recent date we read:

**War and Party Politics.**

"Australia and New Zealand have had general elections since the War broke out, and some of our Canadian papers are pointing to these as illustrating the fact that domestic politics do not need to be suppressed in war time. Would it not be better to look to the view of both parties in the Mother Country? 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. Practically the whole attention of the House was devoted to the War and matters arising out of the War."

"A fine example of the surrender of party to patriotism was given by Mr. Austen Chamberlain when, with the approval of the leader of the Opposition, he accepted Mr. Lloyd George's invitation to co-operate with him in making the Budget proposals as workmanlike as possible. These proposals were not such as he himself would have submitted, but once they were laid before the House he consented, without prejudice to his own views, to resume the Treasury consultations which proved so useful at the outbreak of the War. By this proceeding the path of the Finance Bill was set free from difficulties which might have hindered its progress.

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

**British Government Consulted Opposition.**

"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. It was not so in this country. We were not 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 to-day. Tell him to take issue with him, and take issue sharply, upon the resolutions which he has laid before the House."

**The Financial Condition of Canada.**

"In his opening speech in presenting these resolutions to the House, my hon. friend laid the financial situation of the country before us, and everybody admits that that situation is a serious one. He told us that for the year which is to close on the 31st of this month he expects a revenue of $130,000,000 and an expenditure of $140,000,000 leaving a deficit of $10,000,000 upon consolidated fund account. Besides this, there is $50,000,000 of expenditure on capital account and $50,000,000 of war expenditure, making a discrepancy, a chasm, between revenue and expenditure of $110,000,000. The situation for next year is still more serious. The hon. gentleman tells us that for next year he does not expect a revenue of $130,000,000, but of $120,000,000 only, while he expects a total expenditure of $200,000,000, leaving a deficit of
$80,000,000. This is exclusive of war expenditure, and when that is added there will be a deficit of $180,000,000 between revenue and expenditure for the year. This is a serious situation, a situation the gravity of which we cannot dispute. The figures would be staggering but for the enormous resources of Canada. They do not stagger me. But I do not hesitate to say that the situation is such that there is danger that Canada will be seriously hampered unless that situation is very carefully handled.

The Policy of the Government.

"Now, my hon. friend has a policy to meet the situation; and what is it? As to the war expenditure, he has been very lucky; he has had the good fortune to have opened for him the Imperial Treasury. He appealed to the Chancellor of the Exchequer, and the Chancellor of the Exchequer has told him that he will provide all the money required for the War. So far as war expenditure is concerned, therefore, the hon. gentleman is free from anxiety; he has only to provide for the other expenditures. But the domestic situation is almost as serious as the other. And as to that domestic situation, the only policy the hon. gentleman has to offer is additional borrowing and additional taxation, a double method which, he will admit, is neither novel nor ingenious. There was another method called to his attention by my hon. friend from Halifax, (Mr. A. K. Maclean) when he opened the debate on this side, a method which, I am sure, must have suggested itself to him more than once, a method which, if he had adopted it, would have saved him a tremendous amount of worry and anxiety. This method, however, some evil genius prevented him from accepting—the method of economy and retrenchment. The hon. gentleman, perhaps, has not yet perceived, though I almost think he must have perceived it, that economy and retrenchment are words not to be found in the vocabulary of the party with which he has cast his fortune.

Ample Warning of Impending Conditions.

"The hon. gentleman had ample warning of the situation which was coming upon him. He has a very serious task before him, and I sympathize deeply with him in his efforts to meet it. But while, as I repeat, he has had due warning of what was coming, I fail to see any precaution he has taken to meet the difficulty. The prudent mariner when he sees the clouds gathering upon the horizon, at once prepares his ship to meet the danger. He slackens speed, lowers his fires, and keeps his power well in hand. It would have been well had my hon. friend considered that example and prepared accordingly. But he did nothing of the kind. He did not slacken speed, nor did he lower his fires. On the contrary, he threw more coal into the furnace until the supply was exhausted; and when the storm struck his craft he was left pounding helplessly, and helplessly drifting. Is this an exaggerated statement? Is this an unfair presentation of the case?

Increased Spending instead of Retrenchment.

"Let me ask, what has been the attitude of my hon. friend since he took office? He took office in October, 1911. In that year we spent on consoli-
not have been possible for my hon. friend to have applied his pruning knife and to have cut off a good deal of this expenditure? If I were in the position which I occupied at one time, if I had upon my own shoulders the responsibility of determining these matters, I would have decided that under the existing circumstances, no such expenditures as these should be made during the present year. I admit that some of these works may be useful; but the greater number of them are purely ornamental and all can be postponed. If we had such abundant revenues as we had some years ago, these expenditures might be indulged in; but in these times of stress I think that it would have been better policy to have said: "We will cut off all but what is indispensable so that we shall not have to resort to taxation which in view of the prevailing conditions, must be doubly oppressive."

Should Economize and Retrench.

"Whether or not the War is considered, everybody agrees that the financial situation of the country at the present time is serious. Hundreds and thousands of men in all the large cities of Canada are begging for work and cannot get it; distress prevails in all those communities. Is this a time, I ask, to make these large expenditures? I submit, with all deference to the judgment of the free people, that economy and retrenchment, not more taxation and more expenditure, is the proper policy under present conditions. But my hon. friend, the Minister of Finance takes another course. Ignoring retrenchment and economy, he goes on spending money as in the days of plenty. Instead of retrenchment, he proposes new taxation; that is the chief feature of the resolution which he lays before us. In regard to my hon. friend's resolution I have this to say to him; in my estimation, although labelled war expenditures and war taxation, these taxes and expenditures are not war measures at all; the object of this resolution is simply to benefit the privileged and protected classes.

THE SPECIAL TAXES.

"The resolution which my hon. friend has brought down may be divided under three heads: first, special taxes; second, a general increase in the customs tariff; third, an increase on British goods. Let me consider in consecutive order these three phases of his proposals.

First, the special taxes. My hon. friend has been extremely moderate in his tax of one per cent upon banks, loan companies, trust companies and some insurance companies—he has not taxed all insurance companies, I do not know why; perhaps we shall find out later. These powerful corporations will have reason to believe that they have a friend at court—I should say a friend not at court, but in the very seat of power. The pin prick with which he merely scratches their epidermis will cause them no hurt at all; it will simply create in them a feeling of pleasant surprise that they have been let off so easily. The increase in postage, in one case of 33 per cent, in the other of 50 per cent, is in my humble judgment, a very doubtful experiment; I doubt if my hon. friend will get much revenue from that source. In 1896, the Finance Minister of that day (Sir Geo. Foster), in his Budget speech, made this statement:

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

"That is the view which was taken at that time by the Minister of Finance—a man of ability, as everybody knows—but he had not the courage which was manifested by some other men who came after. Four or five years afterwards the Postmaster General was my colleague, Sir William Mulock. He took the position that by reducing the rates of postage he would increase the revenue to such an extent as to wipe out the deficit which existed in the Post Office Department.

"After a slight decrease in the first year the revenues immediately became buoyant and have been increasing ever since; so that to-day the surplus is larger than was the deficit in 1896. Does my hon. friend expect that, by increasing the tariff as he proposes, he is going to benefit the treasury to any extent? It is doubtful, I repeat, and time, and time alone, will tell.

Unfair to the Poor Man.

"As to the other items included in the special taxes, I have nothing to add to what has been said by my colleagues who have already spoken. But there is one item to which I call the special attention of the House, and to which I take absolute objection; that is, the taxation upon railway travelling. In my judgment, the taxation in that respect is absolutely unfair to the poorer people, and wholly to the benefit and advantage of the rich. My hon. friend has placed upon railway travelling what he calls a horizontal tax. He provides that every purchaser of a ticket costing over one dollar and not more than five dollars shall pay an additional five cents; and on a ticket costing over five dollars—for each five dollars and, in addition, for any fractional part of five dollars, he shall pay five cents. Further, he provides that every purchaser of a berth in a sleeping car or a seat in a parlour car shall, in addition to the regular charge for the berth or seat, pay ten cents in respect of each berth bought, and five cents in respect of each seat bought. I say that the basis of this taxation is absolutely wrong. There are three classes of railway fares in this country: second-class, first-class, and parlour car. The taxation upon railway travelling should have been graduated so that the burden would fall the lowest upon the second-class traveller, and the highest on the user of the parlour car; so that this tax would weigh less heavily upon the poor, and would weigh more heavily upon those who can best afford it. Let us suppose this tax has come into force. Here are two men going to the railway station to buy tickets say to Montreal. One of the men belongs to the working class. He may be out of employment, a man who has lost his job in Ottawa and is trying to better his fortunes by going elsewhere. He has carefully calculated the price of a second-class ticket. He has his thumb upon it, when he is told that his ticket will not carry him over the railway unless he pays an additional five cents. He fumbles in his pocket. He may or may not find the five cents. If he does not, he has to give up his
trip. If he finds five cents, he has to give up some luxury, nay, some necessity of life. The other man belongs to the wealthy class, and we have many of the wealthy class in this country, thank God. This man may be a young swell, the scion of wealthy parents, who never yet earned an honest dollar in his life, and who thinks no more of the price of the ticket than of the stump of his last cigar. Or he may be an old gentleman who has retired from business after having made his pile. To him the railway ticket is not even a consideration. Or he may be a professional man deriving a large income from his profession, so absorbed in it that he has not even a thought to give to any such consideration as weighs upon the mind of the first traveller. He may be one of this class or one of many more. Whoever he may be, he thinks so little of the payment of his first-class ticket that when he has it he does not even enter the car for which he has paid the price. He forgoeth buys another ticket which gives him a seat in the parlour car, one of those palaces on wheels upon which modern art has lavished all the luxury of the age. He goes into the car and falls into a seat covered with velvet. If the seat is not soft enough for his limbs, he is propped up with pillows and cushions by coloured attendants. The Queen of Sheba dazzling the Orient with the splendour and gorgeousness of her retinue and equipage was not surrounded with such luxury as this modern epicure.

**Tariff favors the Wealthy.**

"And for that luxury a benevolent Government taxes him the sum of only five cents. I ask my hon. friend and hon. gentlemen opposite whether that policy is right; whether they do not agree with me that this tariff was made, not for the poorer classes, but for the benefit of the wealthy classes. If it is true that the poor widow who out of her want put two mites in the treasury of the temple gave more in the sight of God than the rich man who gave much of his abundance, it is just as true that in the sight of that just God the poor man is wronged who out of his want is taxed just as much as the rich man out of all his wealth. I say to my hon. friend that his whole conception of the basis of this taxation is wrong, and I hope that on reflection he will agree with me. When you have poverty as you have it at this moment, when you have want as you have it at this moment, it is not fair that the same degree of taxation should be placed upon the poorer classes as upon the wealthy classes. My hon. friend does not seem to have given any heed to this consideration, and it is my duty to call it to the attention of the House, and to ask my hon. friend to revise this resolution when the proper time comes.

**IS IT A WAR TAX?**

"I now come to the other resolution dealing with the increase of the Custom tariff. My hon. friend has told us that his primary object was to raise revenue. Does he call this a war tariff? Does he pretend that when he made that increase he had in view the revenue of the country—that his primary object was to raise revenue? If my hon. friend had had for his primary consideration the raising of revenue, he would have made not a horizontal but an undulating tariff, so as to weigh less or more according to circumstances. If my hon. friend had had in view simply the raising of revenue, and not, as I said a moment ago, the idea of benefiting the privileged and wealthy and protected classes, he would have selected some articles on which he could have raised a maximum of revenue with a minimum of inconvenience and loss. But he has not done that. He is raising his revenue in such a way that he must and will have a minimum of revenue with a maximum of inconvenience and loss to the community. My hon. friend says that we have to provide for the War, and he gives this tariff as a painful necessity of that war. He says that the ordinary revenues of the country will not suffice, and that he must look elsewhere. If that is the object he had in view, I ask him why he put his tariff upon articles which we do not import? What revenue does he expect from articles which we do not import at all? He knows very well that that will give him nothing at all. What is his object, then? Sir, we are living in hard times. Unemployment is only too prevalent; at this moment there are in every community men to whom the providing of the daily bread is an arduous problem. That is the consideration which my hon. friend should have had first of all. What revenue does he expect from the articles which go upon the tables of all classes, especially upon the table of the poor? These articles are not imported into this country, and therefore the tariff on them will not produce revenue.

**Speculators profit, Poor People Pay.**

"I ask my hon. friend what revenue he expects from the duty on meats, or cereals, or things of that kind. He knows very well that the revenue from these sources will not fill the hollow of his hand. But it is possible for speculators to speculate upon the prices, in order to make wealth for themselves at the expense of poor people. That is what is going on, and my hon. fiend has never seen it. He has made his tariff universal. It will profit somebody, but it will not be the treasury of the country that will profit by it. Still, to this there are some exceptions, and these exceptions only prove the rule. My hon. friend has exempted wheat and flour. I do not blame him for it; on the contrary, I quite approve. He did not give us the reason why he did it. He was wise in this; better no explanation at all than a poor excuse. But the reason is very obvious. My hon. friend would not dare to take upon himself at such a time as we are now confronted with to put additional taxes upon the bread of the people. He shrank from it, and we approve of his doing so; but I ask him, if he shrank from placing a duty on wheat and flour, would not a parity of reasoning have forced him also to exempt all other classes of food? He did not think it.

**No Increase in Liquor Excise.**

"There is another item in the tariff as to which, for my part, I would like to have some explanation. My hon. friend has made a general increase which places an increased customs duty upon spirituous liquors of all kinds. I would have expected that he would have done what has always been done under such circumstances, imposed a corresponding excise duty. He did not. In the month of August,
when he increased the customs duty upon spirituous liquors, he also put a corresponding excise duty on liquor. This time he did not; and what is the reason? If there is an article which ought to be taxed, which has always been taxed under all systems of taxation, it is wines and spirituous liquors. But he did not see fit to impose an excise duty. I am told and I understand that at present there is a financial advantage to the distillers of the country in that item. They have to their advantage 7½ per cent upon what they produce, which I understand means 25 cents per gallon upon the total production of the country. I make this statement with some diffidence, because I have not had time to look carefully into it myself; but I have it on good authority that the duty, ad valorem, will produce at least 25 cents per gallon, and, if there is no corresponding excise duty, an immense advantage accrues to the distiller, because the production exceeds 9,000,000 gallons, and that would mean something like $2,000,000 more of profit. That is the situation that we have before us. I charge against my hon. friend that upon this point the principle on which he has acted is altogether wrong, and that the whole thing is unacceptable to the intelligence of the people.

THE BRITISH PREFERENCE.

"But that is not all. This tariff, says my hon. friend, is a war tariff intended to help England in the most stupendous struggle in which a nation ever was engaged; yet, would you believe it, the last feature of this tariff is to put an additional duty upon British goods and give a blow to British trade. Only a few weeks ago my hon. friend approached the British Government to help him in his difficulty; only a few weeks ago he applied to the British treasury for a loan to help him carry on the affairs of this country and to discharge the obligations with which he is confronted; and, having been relieved of his obligations, my hon. friend returns a blow which, I am sure, never was expected by the British Government when he applied to them for the loan which he obtained. It was only a few weeks or months ago that Mr. Lloyd George, speaking of the situation in which England was placed, stated that in the last resort the battle would be won not by the armies in the field but by silver bullets. And everything that has taken place since goes to show that the judgment of Mr. Lloyd George at that time was well founded. The powerful armies which have been fighting with one another for the last six months with varying success and with no marked result on one side or the other, may continue to do so with little progress. Already it is apparent that this war is to be a war of attrition, that the power will win—shall win—whose resources will enable it to withstand the struggle the longest. Germany understands that to-day. Germany, having failed to crush France, having failed to crush Russia, understands that if she wins at all it can only be in one way, and that is by ruining the trade of Great Britain. If she can ruin the trade of Great Britain she can hope for success; but unless she is able to dislocate the trade of Great Britain, her hope of success is gone. Therefore Germany has adopted new tactics, and one of her tactics is to destroy the trade of Great Britain. She has surrounded the British Isles with a cordon of submarines with instructions to pounce upon every ship that comes in or goes out. To-day we learn that three ships have been sunk in that way. On top of all this, all the trade that may escape the submarines and reach its destination in Canada will fall under the taxing machine of the Canadian Government. Is this what we had reason to expect? Is this the policy which my hon. friends ought to have adopted under such circumstances as those with which we are now confronted? When the policy of decreasing the duties on British goods was adopted in 1897, it was adopted as a bond of union as well as an economic measure, and everybody will agree that it has been reasonably successful. It has increased our trade with Great Britain in such a way as we never expected it would; it has more than trebled our imports; it has more than quadrupled our exports; and under it Canada has been prosperous as she never was before at any time in her history.

Preference never popular with Tories.

"I am well aware that this policy never was popular with a certain large section of the Conservative party. They never dared attack it openly; they waited for their opportunity, and England's danger they made their opportunity. If we were not in war times, if we were living now in times of peace, I would remind these gentlemen opposite that that policy contributed to an extent to the prosperity which it was the good fortune of the Liberal party, under Providence, to bring to this country. I would remind them that four years ago, when we wanted, not to let well enough alone, but to make well enough better than it was, when we wanted to improve our trade relations with our neighbours in the United States, one of the arguments of our opponents was that freer trade with the United States meant the prevention of freer trade with Great Britain. I would remind them that there are only two countries with which we trade to any great extent, Great Britain and the United States; and I would call the attention of the House to the strange conduct of the victorious party who four years ago would not let us sell to the United States and who this year will not let us buy from Great Britain.

"At Best a German Conception."

"But these are war times, and it is not the occasion to discuss economic problems. Great Britain is at war, Canada is at war, and when Great Britain is at war and when Canada is at war, to attempt to curtail the trade between Canada and Great Britain is not a Canadian idea; it is at best a German conception. When Parliament met on the 4th of February last we were prepared to go far with our friends on the other side of the House in these strenuous times; we were prepared to give up a good many of our own ideas in order to meet them; we were prepared to make sacrifices in order to have unanimity of opinion; but we were not prepared to go that far, and that far we shall not go. To-day, therefore, we have to part company with them, and for these reasons I move, seconded by Dr. Pugsley: (The amendment appears at the commencement of this article.)
**QUESTIONS AND ANSWERS IN PARLIAMENT.**

**Cost of Transcontinental Investigation.**  
Feb. 9.—The Minister of Railways, told Mr. J. H. Sinclair, M.P., (Guysborough) that the total cost of the Transcontinental Investigation was $65,668.18; that F. P. Gutelius got $25,870 for his services and $1,595.48 for travel and outlay; that he was on the job 388 days; that Mr. Gutelius was paid $33,303.33 by the Intercolonial Ry. for services between May 1, 1913 and Dec. 31, 1914.

**Enrolling of Aliens.**  
Feb. 10.—Major General Hughes told Mr. Sinclair, (Guysborough) that since August 4, 1914, the number of aliens enrolled at offices opened by the Government for that purpose was 28,420, and 1,904 have been interned, making a total of 30,324.

**Seasickness Remedy for Soldiers.**  
Feb. 15.—Major General Hughes told Mr. A. B. Copp, M.P., (Westmoreland) that the first Overseas contingent was supplied with 20,000 boxes of Mothersill’s Seasickness Remedy at a cost of $3,083.34.

**Militia Dept. and Fair Wage Clause.**  
Feb. 18.—Major General Hughes told Mr. A. Verville, M.P., (Maisononneuve) that there was NO FAIR WAGE CLAUSE attached to the contract for erection of the Grenadier Guard Armory at Montreal, also that in contracts for supply of clothing, boots and other supplies for Canadian soldiers, the usual fair wage clause was not included and in such cases the contract was NOT SUBJECT TO THE FAIR WAGE CLAUSE.

**Cost of Capital Planning.**  
Feb. 18.—Hon. W. T. White told Hon. Mr. Murphy that the Ottawa and Hull Town Planning Commission had caused expenditures amounting to $57,089.56 from December, 1913 to Feb. 1, 1916.

**Not Always by Tender.**  
Feb. 22.—Major General Hughes told Hon. Mr. Lemieux that tenders were not called for in all cases of purchase of drugs, medical supplies, etc., as in many cases the supplies were of a special character and were obtained from the manufacturers, either direct or through their representatives.

**Overshoes for Troops.**  
Feb. 22.—Major General Hughes told Hon. Mr. Murphy that since August 1, 1914, 120,000 pairs of overshoes have been bought for the troops at prices varying from $1.70 to $1.96 per pair; of these 48,000 pairs were sent to England for use of the first contingent, and none have been returned to Canada.

**Farmers’ Bank Depositors.**  
Feb. 24.—Sir Robert Borden told Hon. Mr. Lemieux that it is not the intention of the Government to introduce legislation -during the present session with a view to reimbursing the depositors of the defunct Farmers’ Bank.

**No Fair Wage Investigations.**  
Feb. 24.—Hon. Mr. Crothers, Minister of Labor, told Mr. Verville, (Maisononneuve) that the Department of Labor had made no investigation respecting the fair wage clause on work done at Valcartier Camp.

**Marriage Laws.**  
Feb. 25.—Hon. Mr. Rogers told Hon. Mr. Murphy that the Government or any member thereof has not communicated with any provincial government with regard to revising or amending the Marriage Laws, and has no intention of doing so.

**Postmasters Dismissed.**  
Feb. 25.—Hon. Mr. Casgrain told Mr. Levi Thompson, M.P., (Qu’Appelle) that nine postmasters have been dismissed in the electoral district of Qu’Appelle since October 10, 1911.

**H.B.R. Expenditures.**  
Feb. 25.—Hon. Mr. Cochrane told Mr. R. Lanctot, M.P., (Laprairie and Napierville) that expenditure on the Hudson Bay Railway since 1912 was as follows: 1912-13 $1,009,063; 1913-14 $4,498,717; 1914-15, to January 31, 1915, $4,261,088; total $9,768,869. Mr. Lanctot was also told that expenditures on the Quebec Bridge since 1912 amounted to $7,081,542.

**Government Not Interested.**  
Mar. 1.—The Minister of Finance told Hon. Mr. Murphy that the Government has not taken any action to investigate the affairs of the Dominion Trust Company, as provided in the Trust Company Act, the explanation being that the company is in liquidation and its affairs under the jurisdiction of the courts.

**More Postmasters Fired.**  
Mar. 3.—Hon. T. C. Casgrain told Mr. L. T. Pacaud, M.P., (Mégantic) that thirteen postmasters have been dismissed in the County of Mégantic since October 10, 1911.

**Department Does Not Know.**  
Mar. 3.—Major General Hughes told Mr. A. Verville, M.P., (Maisononneuve) that the Militia Department has not yet available particulars regarding the nationality of the members of the first expeditionary forces.

**Year’s Expenditure on H.B.R.**  
Mar. 4.—Hon. Mr. Coderre told Hon. Geo. P. Graham that during the year 1914 expenditures by the Railway Department on the Hudson Bay Railway amounted to $4,188,879.17, of which $2,344,891.57 was on the railway proper and $1,843,987.60 was on the Port Nelson terminals and harbor. In addition to this the Department of Marine spent $45,676.77 and the Department of Naval Service spent $40,164.98.

**Prices Paid for Seed Wheat.**  
Mar. 4.—Hon. Mr. Roche, told Mr. W. M. Martin, M.P., (Regina) that to date the government had purchased or contracted for 2,741,840 bushels of seed wheat; the average prices paid were, October, 1914, $1.10; Nov., $1.13; Dec., $1.14; Jan., 1915, $1.49; Feb., $1.53.
THE OBJECTIVE—DISARMAMENT.

“Had enough, have you? Remember this is for keeps.”

LIBERAL CLUB FEDERATION OF ONTARIO.

News Notes.

Sir Wilfrid Laurier.

An important announcement made by the Federation Executive is that Sir Wilfrid Laurier has consented to be the guest of honor at the annual meeting at Toronto this Spring. This meeting, which is usually held on Easter Monday, will this year be deferred for a week or two until after the closing of the Federal House in order that Sir Wilfrid may be free to attend. Mr. Rowell will be the other guest of honor on the same occasion. The definite date will be announced later.

Big Developments.

There are now sixty-two clubs in the Federation and a number of prospective clubs are in sight. Among those which have recently been organized or are now in the process of formation are:

In Eastern Ontario.


In Western Ontario.


Address all correspondence to the Business Office, Liberal Club Federation of Ontario, Canada Life Building, Toronto.

LOOSE BUSINESS METHODS.

A RETURN [laid on the table of the House of Commons on February 25th, consisting of correspondence between the Auditor-General of Canada and officials of the Militia Department revealed the very interesting fact that owing to what he considered the improper methods of the department in spending the money of the country for war supplies, he was forced to the drastic action of refusing to pass accounts, and in fact, as the Ottawa Journal (Conservative) reported the incident, the Auditor-General “completely dammed the stream of money flowing into the Militia Department for war purposes because he was not satisfied that a sufficiently strict record of expenditures was being kept by the department heads.”

Payment of War Supplies.

The correspondence of the auditor-general on the subject shows that in August last he had an audience with the heads of the Militia and Naval Service Departments, which resulted in a working arrangement for the purchase and payment of war supplies under the War Appropriation Act; and that Mr. Fraser agreed that there should be advances by letters of credit providing the Cabinet issued an order-in-council for every expenditure of more than $5,000.

Vouchers Not Sent.

Four million dollars, or thereabouts, were advanced under this arrangement for the expenses of the troops at Valcartier, but it appears that vouchers for all money expended were not sent to the auditor-general, while some of those that were returned resulted in Mr. Fraser writing in part as follows:

“I have, therefore, to inform the Department of Militia and Defence that their letter of credit is no longer available for payment on account of war appropriation and no further cheques may be drawn for that purpose until the provisions of the act are complied with. I regret the necessity for this action, but I have no other course open to me. I know that it is a very serious matter to place any obstacle in the way of the Militia Department when the country is at war, and with this in view I consented to an agreement which could not in any degree hamper the department. In return I had every reason to expect that the Minister of Militia and Defence would carry out not only the agreement of his officials, but that he would respect the directions of Parliament. (Signed) J. Fraser, auditor-general.”

THE PRICE OF FLOUR.

Says the Ottawa Citizen, (Conservative)—“A government enquiry is to be held into the rise in the price of wheat and flour. This decision will be hailed as an indication that the administration is determined to protect the people and that only the best of reasons will be accepted as explanatory of the increase in the loaf. P.S.—The enquiry referred to, it should be explained perhaps, is being held in the United States.”
THE WAR BUDGET.


Disastrous Financial Statement.

There never was a time in our history when a critical examination of our finance was so necessary as to-day, because we have had from the Minister of Finance the most disastrous financial statement ever delivered by a Finance Minister.

Faced with Huge Deficit.

Eliminating entirely the War expenditure, and calculating revenue upon the basis of the old tariff taxation, we are face to face with an estimated deficit of $80,000,000 for the next fiscal year. Taking the present and next fiscal years together, we find that our total expenditure, exclusive of War expenditure, will probably exceed revenue calculated on the old custom and excise rates by over $140,000,000. The Finance Minister proposes meeting this partially by increased special and tariff taxation, and to the extent he recovers revenue from such sources, the deficits I have stated will be reduced.

Is Government Not Responsible?

Might this condition not have been avoided by a sound businesslike administration of the public services? Is the Government not wholly or partially responsible for this condition in our finances? Were the new taxation methods introduced by the Minister of Finance not avoidable under careful administration of public business? Were the causes producing the condition not avoidable? These are questions which are agitating the people of Canada to-day.

How Expenditure Has Grown.

In 1910 the ordinary expenditure was about $80,000,000. The present Prime Minister declared it to be so great as to be evidence of corrupt expenditure. The Conservatives promised time and again that, if elected, they would carry on the public services for a much less sum. Let us see if they have observed faithfully their pledges in this respect. Here are figures showing the ordinary expenditures since 1910:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>$79,411,749</td>
</tr>
<tr>
<td>1911</td>
<td>87,774,198</td>
</tr>
<tr>
<td>1912</td>
<td>98,161,440</td>
</tr>
<tr>
<td>1913</td>
<td>112,350,237</td>
</tr>
<tr>
<td>1914</td>
<td>127,384,479</td>
</tr>
<tr>
<td>1915</td>
<td>140,000,000</td>
</tr>
<tr>
<td>1916</td>
<td>140,000,000</td>
</tr>
</tbody>
</table>

Does this show a fulfillment of their pledges? If ordinary expenditure of $79,000,000 in 1910 was evidence of corrupt expenditure, are they not constrained to admit that an expenditure of $140,000,000 in 1915 is a plea of actual guilt?

Expenditure Grows While Revenue Falls.

Was the increased expenditure for 1913, 1914, and 1915, and the proposed expenditure for 1916 accompanied by a corresponding increase in revenue? Has it even that doubtful justification?

<table>
<thead>
<tr>
<th>Revenue from all sources</th>
<th>Ordinary Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1912-13</td>
<td>$133,212,743</td>
</tr>
<tr>
<td>1913-14</td>
<td>126,145,275</td>
</tr>
<tr>
<td>1914-15</td>
<td>130,000,000</td>
</tr>
<tr>
<td>1915-16</td>
<td>120,000,000</td>
</tr>
</tbody>
</table>

In order to make a fair comparison, the customs and excise revenue for 1915-16 are based on the taxation prevailing before the recently proposed added taxation. For 1916, they do not suggest a reduction in expenditure.

Declining Trade Fair Warning.

Did trade conditions warrant this steadily mounting expenditure? Did not trade figures for the past three years stand as a storm signal to the Finance Minister? Look at the total of our export and import trade since 1913:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1912-13</td>
<td>$1,085,264,449</td>
</tr>
<tr>
<td>1913-14</td>
<td>1,129,744,725</td>
</tr>
<tr>
<td>1914</td>
<td>860,615,163</td>
</tr>
</tbody>
</table>

Does this not show that more than a year ago the Government had evidence of declining trade? The total trade of 1914 shows at only $40,000 over 1913 in the official figures, and this was due to abnormal fall exports of wheat owing to an early harvest. The Government know that the total trade of the present fiscal year will be much below last year's and that next year it will probably be still less. Yet, in the face of such facts we are calmly informed that expenditure for 1916 will be $140,000,000. What have they to say to this?

Expenditure By Departments.

The following table shows how expenditure in the various departments, has increased since the present Government took office. The comparison is between the fiscal year 1911-12 and the estimate for the fiscal year 1915-16, which establishes the view that the proposed expenditures for 1915-16 are, in view of all existing conditions, enormously excessive, and that the failure to reduce them is the real cause of the freshly imposed taxation.

<table>
<thead>
<tr>
<th>Expended by Departments</th>
<th>1911-12</th>
<th>1915-16 Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Government</td>
<td>$4,474,678 90</td>
<td>$7,024,253 91</td>
</tr>
<tr>
<td>Fisheries</td>
<td>843,856 98</td>
<td>1,561,400 00</td>
</tr>
<tr>
<td>Mines, Geological Survey</td>
<td>261,718 83</td>
<td>547,275 00</td>
</tr>
<tr>
<td>Immigration</td>
<td>1,364,999 93</td>
<td>1,875,000 00</td>
</tr>
<tr>
<td>Quarantine</td>
<td>182,392 43</td>
<td>248,000 00</td>
</tr>
<tr>
<td>Indians</td>
<td>1,756,563 46</td>
<td>2,254,922 00</td>
</tr>
<tr>
<td>Public Works</td>
<td>10,344,487 21</td>
<td>22,351,830 46</td>
</tr>
<tr>
<td>Customs</td>
<td>2,443,846 23</td>
<td>4,215,000 00</td>
</tr>
<tr>
<td>Dominion Lands</td>
<td>2,277,059 87</td>
<td>3,475,079 50</td>
</tr>
<tr>
<td>Post Office</td>
<td>9,172,035 47</td>
<td>15,677,355 25</td>
</tr>
</tbody>
</table>

What Might Have Been Saved.

Had the public services been administered during the past two or three years with solely an eye for the public good and the public service, the ordinary expenditure for the present year would be at least thirty or forty million dollars below the amount which will be expended, and the additions to the public debt for the year would have been much less. The estimates for ordinary and capital expenditure for next year, 1915-16, might easily be $40,000,000 below what they are. No effort has been made towards reduction. Every effort of the Government is towards increase.
HOW THE TRUCE WAS KEPT.

MARCH 4th is the traditional day of settlement in the business and financial world and it was therefore no more than fitting that it should have been on March 4th that Parliament saw the settling of the question as to how the political truce in Canada has been observed. It was a settlement in which every Liberal in Canada may justly take patriotic pride and satisfaction. In the course of a lively debate regarding a statement made by Prof. Adam Shortt as to dismissals and appointments of Government servants, Hon. Robert Rogers, Minister of Public Works, took occasion to assail the Liberal Party for having broken the truce. Apparently his only proof was the fact that The Liberal Monthly has continued publication since the War. Hon. Mr. Rogers was followed by other Government speakers, but the sum total of their charges against The Liberal Monthly consisted of the quoating from the Monthly of two articles, one in the February number dealing with the public Government return regarding dismissals and appointments, and one in the October number which asked Hon. George E. Foster, Minister of Trade and Commerce, if he was doing anything to help Canada get her proper share of war contracts from the Allied governments. These two articles were all that were found fault with, and it may well be left to readers of The Liberal Monthly to decide whether there was anything partisan or truce-shattering in either article.

Speech by Hon. Geo. P. Graham

“Speaking of truce, after consultation with the great leader of the Liberal party, several meetings called were cancelled after the declaration of war. I have attended a good many patriotic meetings and addressed several—without the brass band or the accompanying reporter but I have never discussed politics one way or the other. I have read many red-hot political speeches of hon. gentlemen behind the Minister of Finance, who were cheering him a minute ago. I read some addresses delivered in Ottawa a few days ago, warm speeches. I do not object to them, I am not objecting to them, let them be made, because members of this House have a duty to perform, and while this side of the House is ready to vote millions for the War, it is not ready to vote a dollar for graft. We are prepared to vote all the money that is necessary, as we did in August vote all the money that was necessary, to carry to a successful issue, the War in which the great interests in this country are involved, but we do not give up our right to criticise the administration of the affairs of this country. We are sworn as members of this House to do that. Shall we abrogate those functions, solely because somebody wants to dodge behind the fact that there is war? I say, Sir, that we ought to discuss, and the Government ought to invite all discussion of these other questions, and put their war appropriation through without a word of carping criticism from this side of the House; but we are not going to be put in a false position.

Tory Pamphlets in August.

“I am told, speaking of the truce, that while in August we were voting $50,000,000 to carry on the War, pamphlets were being sent out from the City of Ottawa by the Conservative party under the frank of a prominent member behind the Finance Minister, whose name I shall give to the minister privately if he desires, attacking the Liberal party in the most bitter way. These pamphlets were sent back to me from the Province of Ontario, having been sent out with the frank of an hon. member behind the Government, in August, when we were here, Sir, nearly in tears, trying to stand shoulder to shoulder, without a whimper of partisanship and without an element of discord in our ranks on either side. Is that keeping the truce?

I want to go further now that hon. members have brought it up. The mountain laboured and brought forth a mouse, so far as partisanship in the Liberal monthly publication is concerned. I know something of what I say and what instructions were given to the Liberal monthly publication from the time war was declared. The instructions were to give news and statements as to the conditions, but to make no party argument one way or the other—and they published part of the speech of the Prime Minister of Canada. And, Sir, all that the member for King's could find was one small paragraph jogging the memory of the Minister of Trade and Commerce that we ought to get some of the war orders in Canada—and he has acted along that line. He did not take it as any great or violent attack, he took it good naturedly as ministers always do. It helped him, as a little criticism always does, to get a little greater hustle on.

Leaflets and Pamphlets.

“That was all my friend could find. What can I find, if I look? Let me look for a moment, and discover what I find. I find a leaflet which has been sent to a friend of mine during the past few weeks, since we have been in this House, as being circulated in Western Canada. Here is a leaflet sent out, published by the Federal Press Agency, 47 Slater Street, Ottawa, Canada, Central publication and distribution office for the Conservative party of Canada. Here is one leaflet—"The aid which Laurier withheld from Britain was so much aid given to Germany." Here is a pamphlet, dated No. 6, 9-12, that would be the 12th day of the 9th month of 1914, "The vigorous and progressive western policy of the Borden Government." Party literature. Here is a good picture of the Prime Minister—no, it is not a very good one, I think I would have that one recalled. It is a worse one of my hon. friend the Minister of Public Works. Really, what I cannot see about this western publication is why the Minister of the Interior’s photo-
graph was not inserted instead of that of the Minister of Public Works, as the Minister of the Interior looks after the lands of the West. I find another one, “Liberals first advocated closure.” This is an old pamphlet being circulated now, I suppose, as there was a greater stock on hand than there was demand for at the time. I come to another one, 14th of the 8th month, 1914, which I think would be August, three or four days after war was declared. On the first page I find an insulting cartoon of my right hon. friend and leader which was sent broadcast through Canada. “Give credit to whom credit is due.” This was sent out during the special session in August, after the outbreak of the War.

**Naval Pamphlets since the War.**

“I have another one, “The Liberals and the naval emergency: For the sake of a supposed party advantage they gambled with the future of the Empire.” On the first page is another insulting cartoon of the right hon. leader of the Opposition. You say that was before the session in August. Was it? Listen to the first line of this pamphlet: “The War between Great Britain and Germany has come.”

“It must have been after the opening of war, after August 4th, and here is a pamphlet sent out by the Conservative party of Ottawa, a document of 30 pages, beginning with ridicule of my right hon. friend, at the very time that we were joining hands, willing to stand side by side, for the great Empire to which we all belong. Let me give another one, prepared at an earlier date, which I am told was distributed after the August session. If my information is wrong I shall stand corrected:

“The farce and the cost of the Liberal navy policy compared with the practical economical and effective policy of the Borden Government.”

“That has been distributed throughout the country during the last few months, I am informed. This is a pamphlet of eight pages printed and sent out by the Conservative party from their headquarters in the City of Ottawa. And my hon. friend from Kings talks about a truce!”

“I have another pamphlet here dated the 14th August: “Relief for the Western Settler.” Talk about the War! Here is party literature being distributed through the West for party purposes, when we are supposed to have no parties. There is another one here called “Why Three Dreadnoughts?” This is a nice little booklet which reflects great credit on the printer, but it contains all the old line of attack on the Opposition. And here is a speech delivered by the right hon. R. L. Borden. I am not taking exception to that, for it was not very partisan; in fact, we helped to circulate it ourselves, we thought it so good. But if my hon. friends insist that that is breaking the truce we will have it recalled. Here is another one that has been circulated in Maple Creek, “The Borden Government the Homesteader’s Friend.” These are just a few of the pamphlets that are being sent out. Here is one called “Western Canada and the Liberals,” which is being distributed very largely in the West.

**Weekly Bulletin grossly Partisan.**

“Then I come to the Federal Press Bulletin, which hon. gentlemen on the other side of the House will know. As my hon. friend from Kings would say, it is a weekly eruption, spelled w-e-a-k-l-y. Hon. gentlemen surely cannot deny that this is being circulated. It bears the date of December 24, 1914, and contains an attack on the Liberal party, also an insulting cartoon of my right hon. friend the leader of the Opposition. Keeping the truce indeed! Keeping the truce and sending out tens of thousands of this kind of stuff. I have another Federal Press Bulletin here, dated January 7, 1915, almost down to the minute. And these gentlemen talk to us about violating the truce, which, so far as truce was made, we have absolutely kept. But we refuse to be tongue-tied in criticizing what we think wrong. Take all the money you want for the War, but we are going to criticize the other things this Government does, and we are going to criticize them as much as we like. This Federal Press Bulletin contains a two-column article pointing out how futile the Laurier boats would have been in comparison with the dreadnoughts.”

**Shooting under the flag of truce.**

“Two columns of that. Two columns of the most irritating partisan material that could be sent out. It points out that one party was practically against the motherland. And this at a time when hon. gentlemen are saying ‘truce, truce, don’t hit us, don’t criticize us, truce, there is a war on!’ And behind our backs they are sending out this party literature, giving us a stab in the back. The German army has been charged with firing on those bearing a flag of truce, but it is far worse for the people bearing the flag of truce to fire than to be fired on by others. Hon. gentlemen opposite say; ‘You must not shoot, we are carrying a flag of truce.’ And at the same time they are circulating the most inflammable literature ever sent out by any party in the Dominion. My information may not be correct, but I am told that during the past few weeks thousands have been sent out from this city, and that about two thousand go out weekly. In the face of that, and after the speech of my hon. friend from Lambton [Mr. J. E. Armstrong] on the navy, will hon. gentlemen opposite have the temerity to pretend that they are keeping anything that looks like a truce?”

**Mr. J. E. Armstrong:** What was wrong with that speech?

**Mr. Graham:** “It would have been an elegant speech if it had been delivered in the heat of a campaign and when no war was on, or if the navy question was not a very live and debatable question between the parties. No man on this side of the House has discussed that question so far as I know, but it has been discussed by three speakers opposite as if to provoke a discussion on the great naval question, in order to get an excuse to appeal to the electorate. If hon. gentlemen opposite want to appeal to the electorate, appeal to the electorate. Do not do as you did in October, “stand shivering on the brink and fear to launch away.” Make up your minds to go to it, if you want an election. But so far as the War is concerned, we on this side of the House will give the Government no excuse for appealing to the country on the ground that we are not with them on every dollar desired for the War.”
THE CANADIAN'S humiliating army boot scandal is being probed by a special committee of the House of Commons which has been sitting almost daily since February 19th. The decision to hold this investigation was announced by Premier Borden on February 15th, the same day that Major General Hughes tabled in the House the report of a departmental board of enquiry which proved so utterly unsatisfactory and unintelligible that it was impossible to accept it as a final finding. This report showed in a general way that there could be no doubt that on the whole the boots supplied to Canadian troops were far from satisfactory, but it failed to discover where the fault lay and it failed utterly to bring the blame home to anyone.

The special committee, it is expected, will complete the taking of evidence about March 20th, and its report may quite likely reach Parliament before the end of the month. Until its finding is made public The Liberal Monthly will not deal with the very interesting evidence that has already been given. In the meantime, however, it is possible to give some evidence that must be recognized as absolutely convincing, since it comes from the soldiers themselves; from the men who wore the defective boots as long as they could be worn, who suffered in the wearing of them and who gave their evidence under oath in regimental enquiries held at different times and at many places. Herewith is given a summary of the findings of the duly constituted Regimental enquiries, the details of which have been filed with the Parliamentary Committee.

AT MONTREAL, a Court of Enquiry consisting of Capt. W. B. Howell, Lieut. R. H. M. Hardisty and Lieut. S. G. Ross, sitting January 18, made this finding: “From the evidence, the Court having found the boots defective in workmanship and materials, recommends that they be replaced at the expense of the Government.” Major W. F. C. Sullivan and Col. E. W. Wilson, commanding the 4th Division, concurred in the finding.

AT HALIFAX, a Board of Officers consisting of Capt. A. N. Jones, Lieut. L. Bullock and Lieut. and Quartermaster T. F. Newnham, reporting on January 5th, found that of 172 pairs of boots received from Ordnance Stores “the majority of them were worn through outer soles and welt, and that the uppers of the boots are of a material little better than paper, resulting in wet feet after a short march in the snow. The Board recommends that the boots above mentioned be replaced at once by a new issue.” This board also recommended the issue of a second pair of boots to all ranks, so that worn boots could be repaired. The report was concurred in by Lieut.-Col. A. H. Panet, commanding the 6th Division, who in a later report stated that 172 pairs of new boots were issued “owing to the fact that it was pointed out to me that the men were bare-footed.” Another Board of Officers investigating at Halifax on January 20th, made an exactly similar finding regarding 158 pairs of boots, and recommended that “the men should not be paraded outside the armouries until another issue of boots be made.”

AT KINGSTON (Tete-du-Pont Barracks), a Board of Officers consisting of Capt. F. Craig, Lieut. Ross and Lieut. Urquhart on January 25th, made the following finding: “The board examined the boots as exhibited, also those at present worn by the men, and are of the opinion that the boots were of inferior quality, worn out and had not been replaced since they were issued.” This board recommended a new complete issue of boots. The finding was concurred in by Major J. Hamilton and recommended for approval by Col. T. D. R. Hemming, commanding 3rd Division.

In the above mentioned cases, detail of the composition of the body of enquiry has been given simply to show that the investigations were apparently conducted in strict accordance with the King's Regulations. Other reports of exactly similar enquiries may therefore be summarized to save space. It will be noted that the reports are not in order of the dates on which enquiry was held, nor are they assembled to be the reports from the different enquiries in order. This order of the findings of the different enquiries is given in the order in which the different reports appear in the file which is before the House Committee.

AT MONTREAL, December 22, 1914, No. 6 Field Ambulance, (each man sworn): Finding—All boots examined were of poor quality or badly made, and recommend that they be replaced at expense of the Government.
AT OTTAWA, December 15, 1914, Divisional Engineers Finding—Boots of very bad quality, both in material and workmanship; boots are from two manufacturers, one kind inclined to shrink and become stiff and out of shape, causing some feet, the other kind wear out very rapidly and uppers absorb water and stretch like untanned hide and are also very bad design; opinion of board that leather in all these boots insufficiently tanned and of very poor quality; workmanship only fair and boots have not been put together properly.

AT KINGSTON, December 3, 1914, 17th Battery, C.F.A. Finding—82 pairs, in use only from four to six weeks, are unfit for further service, most of them being too much worn to be repairable; 26 pairs have been repaired at expense of the men, costing $1.00 for complete repairs, 65 cents for half soles and 35 cents for heels; also find that leather composing soles is of very inferior quality.

AT TORONTO, December 14, 1914, 19th and 20th Battalions. Finding—Examined 395 pairs, in our opinion a very poor quality, which can be seen from dates of issue, (Nov. 11 to 24—three to five weeks wear).

AT CALGARY, December 9, 1914, 31st Battalion. Finding—The twelve pairs of boots specified in evidence of men are unfit for use and would recommend that they be condemned and returned to Regimental stores, new pairs issued to replace them AT THE EXPENSE OF THE MAKERS OF THE DEFECTIVE BOOTS, namely, “Gauthier, 10 pairs, and McCreary, 2 pairs.”

AT HALIFAX, N.S., (Chain Lake Camp), Sept. 25, 1914; 66th Regt. Board reported 72 pairs of boots “unfit for service.” (Issued August 7, in use less than six weeks).

AT HALIFAX, N.S., Sept. 29, 1914; 63rd Regt. Board found all boots examined “unfit for further use through fair wear and tear and should be replaced at public expense,” and drew attention to evidence No. 3 that boots did not last three weeks, and Evidence No. 4 that boots were out in 20 days. Other evidence showed boots from which the heels came off in three days and some men told of wearing their own boots when they found their army boots unwearable.

A DROP IN THERMOMETERS.

On February 10th, a question was put on the order paper by Mr. Chisholm, (Antigonish), asking for particulars regarding clinical thermometers bought from anyone in Ottawa by the government for the first contingent. The question was not answered until February 22, when Major General Hughes gave the information that clinical thermometers had been bought from T. A. Brownlee of Ottawa, that $1.00 each had been paid at first, “but subsequently Mr. Brownlee discovered an error in his charge and refunded half of this, making the net price 50 cents.” On February 26th, Mr. Chisholm asked again for more detail and on March 1st he was informed that Mr. Brownlee had supplied in all 1062 thermometers; that he was paid for 702 on August 31, 1914 and for the remaining 360 on October 29, 1914, and that it was on February 11, 1915 that he refunded to the government half of the purchase price.

It was on February 10th that Mr. Chisholm asked the first question. It was the very next day, February 11th, according to Major General Hughes’ answer, that Mr. Brownlee returned to the government $581 which he discovered had been an overcharge.

In his answer on March 1st, Major General Hughes admitted that the department had been quoted lower prices than were paid to Brownlee, and that these quotations were received by the department as far back as October 9 and November 5, 1914.

CRITICISM OF TARIFF INCREASE.

CRITICISM of the new tariff increases, and in some cases of the special taxes described by the Government as war taxes, has by no means been confined to parliament. From all parts of the Dominion and from all classes of the community has come the protest that the new taxes will bear most heavily on those least able to bear them.

The Dominion Grange.

At the fortieth annual meeting of the Dominion Grange, held in Toronto, February 24th, the Master of the Grange, Mr. W. C. Goode of Paris, Ont., in his opening address, said: “The annual burden upon Canadian Agriculture involved in our system of customs duties has been estimated at two hundred million dollars. How shall we describe a policy which not only maintains, but even increases this burden? On the one hand we are being urged to increase production and on the other hand the burden of taxation upon agriculture, most of which never sees the public treasury, is not only not lifted, but is actually increased by the same authorities who are exhorting us to increase production. In this case there is not even the reasonable expectation of materially adding to our revenues, since many of the recent changes in the customs schedule are practically prohibitive, their net result being to enable domestic producers to tax domestic consumers. I will venture the opinion that for every dollar which the recent change in the tariff will put into the Federal treasury, ten dollars of taxation will be levied upon Canadian industry.

Most astounding of all, our Mother Land placed under an additional disability of five per cent in her trade with us. To knife Great Britain in this way when she is fighting for her existence and our liberties is a sight to make the gods weep... Wild and stupid are mild terms to apply to the recent tariff policy of our Federal government, doubly wild and stupid at present, when the need of stimulating agriculture is paramount.”

United Farmers of Ontario.

At the annual convention of the United Farmers of Ontario at Toronto on February 25, the president, Mr. E. C. Drury also discussed the tariff and the relations of the government to the farmers of Canada. Referring to the campaign of the government calling upon the farmers for greater production, Mr. Drury is reported as saying “What we need is not to be told our business, but just a little economic justice. The remedy is simply to disburden.” Referring to the increase in the tariff, he said “The recent tariff change has been a decided mistake from a national standpoint,” and he explained that while he thoroughly commended the direct taxation feature of the new fiscal policy, he took decided objections to those features which would not raise revenues, but would merely add to the burdens of protection. “A further dose of the old medicine will not help us,” said Mr. Drury.
DIARY OF THE MONTH.

1915. February.
1. SOUTH OXFORD, (Ont.) LIBERALS, in convention at Tilsonburg, nominate M. S. SCHELL of Woodstock.
2. EAST EDMONTON, (Alta.) CONSERVATIVES, in convention at Edmonton, nominate H. A. MACKIE of Edmonton.
3. MacDONALD, (Man.) LIBERALS, meeting at Carman to organize for new Federal constituency.
4. NIPISSING, (Ont.) LIBERAL ASSOCIATION meets at North Bay to organize for new constituency.
5. HALTON, (Ont.) LIBERALS, annual meeting at Milton, election of officers, etc.
6. KINGSTON, (Ont.) CONSERVATIVES, annual meeting for organization, election of officers, etc.
6. GLEN GARRY and STORMONT, (Ont.) CONSERVATIVES, meet at Cornwall to reorganize for new constituency.
7. HON. SIDNEY FISHER addresses Montreal Reform Club on "Lessons of the War."
8. SIR FRANCOIS C. S. LANGE LIER, Lieut-Governor of Quebec, died at Quebec.
9. DUFFERIN, (Ont.) LIBERALS, in annual meeting at Shelburne, elected officers, etc., and nominated THOMAS DRYDEN of River View.
10. RUSSELL, (Ont.) CONSERVATIVES, annual meeting at Russell, election of officers, etc.
11. WEST ELGIN, (Ont.) LIBERALS, annual meeting at Dutton.
12. HON. PIERRE A. LEBLANC, K.C., of Montreal, appointed LIEUT-GOVERNOR OF QUEBEC.
13. OPENING OF MANITOBA LEGISLATURE.
14. DUFFERIN, (Ont.) CONSERVATIVES, annual meeting at Shelburne.
15. J. M. TELLIER resigns leadership of Conservative Opposition in Quebec Legislature; succeeded by P. COUSINEAU, M.P.P. of Jacques Cartier.
16. OPENING OF ONTARIO LEGISLATURE.
17. CONSERVATIVE MEETING at Ottawa, Ont., addressed by R. BLAIN, M.P. (Peel), J. E. ARMSTRONG, M.P. (East Lambton), W. F. COCKSHUTT, M.P. (Brantford) and others. Mr. Cockshutt urged Conservatives "to be ready for battle, for it was near at hand."
18. OPENING OF NOVA SCOTIA LEGISLATURE.
19. BATTLE RIVER, (Alta.) LIBERALS, in convention at Vermilion, nominate D. W. WARNER.
20. CAPE BRETON NORTH and VICTORIA, (N.S.) CONSERVATIVES, in convention at Baddeck, nominate Dr. L. W. JOHNSTONE of Sydney Mines.
21. NORTH WELLINGTON, (Ont.) LIBERALS, annual meeting at Arthur.
22. PEEL, (Ont.) CONSERVATIVES, annual meeting at Brampton.
23. REVELSTOKE, (B.C.) (West Kootenay Riding) LIBERALS, annual meeting, election of officers and organization for district.
24. EAST EDMONTON, (Alta.) LIBERALS, in convention at Edmonton, nominate ALEX. E. MAY.
25. OPENING OF ALBERTA LEGISLATURE.
26. HANTS COUNTY (N.S.) LIBERALS, annual meeting at Windsor.
27. VICTORIA, (B.C.) CONSERVATIVE ASSOCIATION, annual meeting.
28. LONDON, (Ont.) LIBERALS, in convention at London, nominate GEORGE S. GIBBONS.
29. WENTWORTH, (Ont.) LIBERALS, annual meeting at Hamilton.

THE MONTH IN PARLIAMENT.

1915. February.
4. OPENING OF PARLIAMENT. Speech from Throne confined to the War.
8. Debate on address in reply to speech from Throne. SIR WILFRID LAURIER outlines LIBERAL ATTITUDE, renewing pledge of support of Government in all war measures, but asserting intention of insisting on full accounting for expenditures. DR. MICHAEL CLARK, (Red Deer) (L), follows PREMIER BORDEN. W. F. MCLEAN, (S Yarmouth) (C), moves for leave to introduce bill to regulate EXPORT OF NICKEL. PREMIER BORDEN declares subject has been carefully considered and present arrangements have approval of British Authori-ties.
9. ALBERT SEVIGNY, (Dorchester) (NATIONALIST), elected deputy speaker.
10. HON. W. J. ROCHE, Minister of Interior outlines government plans for providing seed grain to farmers. Memra. MARTIN, (Regina) (L), McCRA NEE, (Saskatoon) (L), LEVI THOMSON, (Q'Appelle) (L), HON. FRANK OLIVER and other western members urge necessity of extending scope of relief plans.
11. MINISTER OF FINANCE PRESENTS 1915 BUDGET.—PREMIER BORDEN offers resolution to provide $100,000,000 to be borrowed for war purposes. HON. WM. PUGSLEY questions letting of CONTRACTS FOR AMMUNITION for Canadian and British Governments—HON. WM. PUGSLEY asks for information concerning PURCHASE OF TWO SUBMARINES at Seattle.
15. Report of Board of Officers on Military Bounties tabled by Minister of Militia—Premier Borden announces decision to refer BOOT ENQUIRY to SPECIAL COMMITTEE of the House—Minister of Finance admits issue of Dominion notes on authority only of orders-in-council, including $10,000,000 to Canadian Northern Railway and $6,000,000 to Grand Trunk Pacific Railway.
16. PREMIER BORDEN reads cablegram from Colonial Secretary announcing CANADIAN CONTINGENT IS IN FRANCE—Special committee appointed to enquire into Pollution of Navigable Streams. Select committee appointed on Dominion Elections Act. PREMIER BORDEN makes statement on recent MINISTERIAL CHANGES. SUPPLY—Dept. Trade and Commerce, Customs, Interior, Marine and Fisheries, Naval Service.
19. J. H. SINCLAIR, (Guysborough) (L), moves amendment to SHEPPING ACT, to extend coasting area to South America. J. H. Sinclair criminal code amendment re sale of Military Stores passed second reading.
22. J. J. HUGHES, (Kings, P.E.I.) (L), moves for petition assuring Prince Edward Island continued representation of at least six members. Motion negatived—Motion of A. E. FRIPP, (Ottawa) (C), for VOTES FOR ELECTORS ON WAR SERVICE, debated—motion stands—SUPPLY—Dept. of Marine and Fisheries.
23. BUDGET DEBATE resumed by A. K. MACLEAN, (Halifax) (L), followed by A. C. MacDONELL (South Toronto) (C), and HON. FRANK OLIVER.
25. BUDGET DEBATE continued by G. W. KYTE, (Richmond, N.S.) (L), J. W. EDWARDS, (Frontenac) (C), and HON. WM. PUGSLEY.
26. SELECT COMMITTEE appointed to report on AMENDMENTS to CRIMINAL CODE—Proclamation of Special Financial Act, 1914, continued—SUPPLY, Dept. of Labor, Island Revenue, Post Office.

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