and dislike to rural life. The workers reasonably wished to place themselves on a footing of equality before the law with other classes, and to put themselves in a position to make a fair bargain with their employer, which in their isolated condition they were unable to do. This made it imperative upon them to organise themselves into Trade Unions. Their political power, being rather limited, and unorganised, there was no other way to accomplish their object. Canada could never have made the increase in population, attained the progress, and have occupied the position in the world she does to-day, if it could not have been shown that the standard of living among the people was higher than in the countries of the old world. The two principal factors in the recent rapid development of Canada, and the great increase of population, are first the opening up of the great Western prairie, and the increase of wages that has taken place during the last thirty years owing largely to the action of the labour organisations. Had they not been in existence the individual workman would have been powerless to bargain with his employer, and enabled to secure his share of the increase of wealth that has taken place from the cultivation of the "Great West"; the system of bonuses to immigrants, and "assisted" passages, would have continued, and the supply of labour would have been kept so much in excess of the demand that wages could have remained at a rate providing only bare subsistence.

This is manifest from the fact that, at the present moment, wages are lowest and hours the longest in those parts of Canada where the men are the least organised. In these districts wages have not increased in anything like the same proportion to the increased cost of living during the last twelve years. The labour movement in Canada contains all the elements of the same party here, embracing, as it does, every phase of social reformer,

from the Conservative Trade Unionist to the irreconcilable Socialist, who believes that nothing will save society but to destroy it. Socialism will never be brought about in Canada by Socialistic theories; if it ever does come it will be because society deems it the only way to protect itself amongst the "get rich quick" class. Signs of this are perhaps manifesting themselves, in the demands of the Western farmers upon their Provincial Governments to establish provincial abattoirs, and cement works, and the demand of the same class upon the Dominion Government for the national ownership and operation of all terminal elevators for the storage of grain.

Radical changes in society are not brought about by theories, but by conditions.

In common with the workers of most other civilised countries the working men of Canada desire to have their aspirations and interests represented in the Provincial and Dominion Parliaments. The labourers in the urban constituencies are numerous enough to accomplish their objects easily were they only as united on political action as they are on questions of wages and the hours of labour. But there are fundamental difficulties in the way that are almost insurmountable in some districts. The labouring class, like all other classes in Canada, are a heterogeneous body, and are not only divided but strongly antagonistic to each other on questions of race and religion. A large number of members of trade unions, while loyal to their unions in trade matters, owe their first allegiance in politics to some national or religious society, such as the Orange Society, the Sons of England, the Ancient Order of Hibernians, etc., etc.

This always has been, and, for some years to come, will be, the great stumbling-block in the path of labour representation in Canada. In parts of Canada where these

Societies are not numerous enough to divide the labour party in politics, such as in Montreal, where the working men are largely composed of French Canadians, or in the mining districts of British Columbia, they have succeeded in electing a member to the Dominion Parliament. The city of Winnipeg was also represented at Ottawa by a labour member for several years. The first man to represent labour on the floor of any parliament in Canada, was the late D. J. O'Donoghue, who was elected to represent the city of Ottawa in 1874, to the Ontario Legislature, at a by-election. On that occasion the Conservative party did not put a candidate in the field but supported Mr. O'Donoghue, who was supposed at the time to have Conservative leanings. On taking his seat Mr. O'Donoghue gave the Liberal Government an independent support as the only means of obtaining any legislation in the interest of labour. At the subsequent general election in 1879 there were three candidates in the running for the Ottawa seat, and Mr. O'Donoghue was again elected over his Liberal and Conservative opponents by a good majority. He sat through the four years of the local parliament, but did not enter the legislature again. He accepted a position in the Labour Statistical Department of the Ontario Government, after which he was appointed Fair Wage Officer under the Ottawa Government when that position was created, which he held until his death three years ago. He stands out as the most prominent figure in labour matters in Canada during the more than thirty years that he was actively identified with the movement. Mr. O'Donoghue was the first to introduce a resolution in the Ontario legislature in favour of manhood suffrage, which many years ago became the franchise of that province. He also procured some important amendments to the Mechanics Lien Law, and rendered good service to the cause of labour during his parliamentary career. At the

general election of 1887, Mr. Andrew Ingram was nominated for the Dominion House by the Labour Party of the town of St. Thomas, and receiving the support of the Conservative party, was elected. He supported that party during the ensuing parliament, and at the next general election received their nomination, and was again elected, but before the expiration of that parliament he accepted a position on the Ontario Railway Commission. A. T. Lepine was also elected to the Federal Parliament as a Labour man, with Conservative support, for a division of Montreal, and during his term gave that party an independent support. The only men ever elected to the Dominion Parliament as straight Labour men were Ralph Smith for Nanaimo, B.C., who subsequently became a Liberal, A. W. Puttee for Winnipeg, and Alphonse Verville, for a division of Montreal. The first and the last of these are still members of the House. The two former are Englishmen and neither had been in Canada ten years at the time of their election. So much for the alleged prejudice against Englishmen that we hear such a great deal about. At the last election of members to the Ontario Legislature, Allen Studholme was elected to represent labour. About 1890 Mr. Joseph Beland, President of the Montreal Trades and Labour Council, was elected to the Quebec legislature for a part of Montreal. A sketch on this branch of Canadian development would be incomplete without a detailed statement of the present demands of the Labour party in Canada. At the twenty-sixth Annual Convention of the "Trade and Labour Congress of Canada," held at Fort William from the 12th to the 17th September inclusive, this year, at which thirty-two International Unions and 173 local Labour bodies were represented, with a membership of 55,000, the following platform of principles was formulated :—

1. Free compulsory education.

2. Legal working day of eight hours, and six days to a week.

3. Government inspection of all industries.

4. The abolition of the contract system on all public works.

5. A minimum living wage, based on local conditions.

6. Public ownership of all franchises, such as railways, telegraphs, telephones, water-works, lighting, etc.

7. Tax reform, by lessening taxation on industry, and increasing it on land values.

8. Abolition of the Dominion Senate.

9. Exclusion of Chinese.

10. The Union Label to be placed on all manufactured goods, where practicable, and all government and municipal supplies.

11. Abolition of child labour by children under fourteen years of age; and of female labour in all branches of industrial life, such as mines, workshops, factories, etc.

12. Abolition of property qualification for all public offices.

13. Voluntary arbitration of labour disputes.

14. Proportional representation with grouped constituencies and abolition of municipal wards.

15. Direct legislation through the initiative and referendum.

16. Prohibition of prison labour in competition with free labour.

The Knights of Labour

The greatest passing Labour wave that ever struck Canada was the Knight of Labour movement in the early eighties. This institution was founded on the secret society principle, with signs and passwords, a working formula to open and close the Assemblies, as the local bodies were called, and signs of recognition, by which brother Knights who were strangers could recognise

each other. It also provided for District Assemblies, which are composed of representatives of the several local Assemblies of any given district, for the purpose of enabling the members to take concerted action on matters pertaining to their locality, and a General Assembly that met annually in the city determined upon at the previous General Convention. This organisation was eminently suited to a thinly-populated country like Canada, as it provided that where there were not enough workers of any particular trade to form a local Assembly, mixed Assemblies could be organised, composed of all classes, except lawyers, who were debarred membership in the Society. Several hundred local Assemblies were organised, and a not inconsiderable number of District Assemblies. The Knights of Labour, though originating in the United States, became so strong in Canada, that at one time they threatened to submerge the Trade Unions, and it was found necessary to give the Dominion a representative on the General Executive Board. But it proved a meteoric movement, reaching its height in 1887, during which year there was a general election, and the Labour party of Toronto called a convention to nominate candidates for the Dominion, at which there were about ten thousand organised workers and labour reformers represented. Messrs. E. E. Shepherd and A. F. Jury were nominated for West and East Toronto respectively, but they were both defeated, and from that time the movement began to decline in Canada, as it already had done in the United States, and to-day there are not a dozen Assemblies in the Dominion. Many of the Trade Assemblies, that is those Assemblies that were composed entirely of one particular trade, reverted to their former form of organisation, viz., Trade Unions, while the members of the mixed Assemblies who wished to retain their connection with the Labour movement, became

either Socialists or Single Taxers. In spite of the spasmodic character of the Knights of Labour movement, it was a great educational factor, and helped in no small degree to create a healthy public opinion on the Labour question, which was one of its principal missions.

Labour Legislation

Though it cannot be said that Labour representation has been a great success in Canada, so far as numbers are concerned, the same cannot be truthfully said in regard to Labour legislation. The Statutes of the Dominion and Provincial Parliaments bear ample evidence of the activity of organised labour in this useful field of operation. Previous to 1837 the labourers stood naked before the law, so far as special legislation was concerned to protect them against the "get rich quick" exploiter of humanity. They were living under the old statute laws of the United Kingdom, without the benefits of the various modern Acts that had been passed here for the protection of the workers in mine, factory and workshop; but with the inauguration of a national labour movement this state of things soon began to change, and to-day few countries are ahead of Canada in this respect, though she labours under the disadvantage of having to influence nine Parliaments instead of one, on account of some of the remedial legislation required having to be obtained from Provincial Parliaments and some from the Dominion. In spite of this drawback they have succeeded in getting the following Acts passed in the direct interest of Labour:—Mechanics' Lien Law, Workmen's Compensation Act. When this latter Act was first passed in the Province of Ontario, The Grand Trunk and Canadian Pacific Railways were exempt from its provisions for twelve months, on the ground that these companies had mutual protection societies to which the companies subscribed, and which provided relief

in cases of accident, but it was provided that if at the end of that period it was found that the men in the employ of these companies wished to be afforded the protection of the Act, they would be so included in the following Session of the Legislature. At the expiration of the time mentioned the employees of the companies above referred to made it known to the Labour party of Toronto that they wished to be brought under the provisions of the Act, and a deputation composed of members of the legislative committees of the Toronto Trades and Labour Council, and District Assembly of Knights of Labour, appeared before the Railway Committee of the Ontario legislature, of which the Hon. Christopher Fraser, one of the best men and brightest intellects ever in public life in Canada, was chairman. After a long drawn out battle with the lawyers of the Railway Companies, the labour men succeeded in having the question submitted to a vote of the men working for the two companies, and it was carried by a large majority that they should be included among those coming under the protection of the Workmen's Compensation Act.

In several of the provinces, Labour has also obtained the passage of Factory Acts, which, like the Compensation Act, have since been amended and improved through its influence. Other Acts have been passed, such as the Shops Regulation Act of 1888, an Act to prevent the law of conspiracy being applied to labour disputes, unless a deed is committed punishable under the statutes, an amendment to the Seamen's Act, for the better protection of sailors, an Aliens Labour Law, an Act for the collection of labour statistics, an Act providing for a fair wage clause in all government contracts, Acts for the protection of employees in manufactories, and an Act relating to the protection of persons employed in the construction of railways, were passed in the Province of Quebec.

Ontario is the " banner province " of labour legislation

in the east. In addition to the Acts already mentioned, the following measures have been obtained :—An Act to Facilitate Agreements between Masters and Workmen for the Participation in Profits, The Trades Arbitration Act, an Act to Amend the Law Relating to the Collection of Debts, an Act for the Establishment of Co-operative Societies, an Act to protect the Goods of Lodgers and Boarders against Distresses for Rent by the superior landlord, an Act respecting Wages in cases of Assignment, an Act respecting Exempting from Taxation Workmen's Wages that do not exceed $700.00 a year, an Act respecting Mines Regulations, and an Act placing a duty of $500.00 on every Chinaman entering Canada was passed at the request of organised Labour in the Province of British Columbia. Most of the Acts have been amended several times at the instigation of the Labour party, and scores of minor Acts and Regulations have been passed. The province of British Columbia has been particularly prolific in labour legislation, and successful in obtaining representation in the local legislature.

Another field in which organised Labour has exercised a beneficial influence has been in having clauses inserted in agreements between municipal bodies and private corporations, securing a minimum wage and maximum hours of labour for employees of such companies, and in cases of street car companies, reduced through tickets for workers travelling to and from their work. In this last respect Canada stands in the very front rank of the nations of the earth, and these benefits, like many others accruing from the actions of organised Labour, have been showered upon all workers unorganised as well as organised.

Many of the municipalities have a minimum wage even for the scavengers that clean their streets and the men that dig their sewers. These various laws and regulations have saved many a life, brightened many a humble

home in the hour of accident, and fed and clothed many a child that otherwise might have had to suffer great hardship through the negligence of employers or the meanness of public bodies. In pressing effectively for these provisions the working people of Canada have been most ably championed by Mr. A. F. Jury, at present the Canadian Government Agent at Exeter, a man who embodies sterling integrity of character with an unrivalled grasp of political economy and what is still more rare, of the power of applying that knowledge.

CHAPTER VII

The Chief Cities of Canada

The census of 1910 showed that sixty-two cities and towns in Canada had each a population of 5,000 persons or more. Of these, twenty-four had a population of 10,000 or over, and of the twenty-four twelve had populations of 20,000 or more. Since 1901 a very large number of towns have come into the line of those containing 5,000 or more, and most of those of 5,000 inhabitants have grown to double their size. In the North-West Territories particularly the growth of the population has been very rapid, as was shown by the census of 1906 in Alberta and Saskatchewan.

Montreal

In point of size and commerce the importance of Montreal, with an estimated population of 456,000, stands easily first. Situated on the St. Lawrence, at the junction of that river with the Ottawa River, it occupies a most important strategical position from the point of view of commerce, and its surroundings are most picturesque. The town is situated upon an island some thirty miles long by eight or ten miles wide, formed of the two branches of the Ottawa River, and is built in a series of terraces which mark the former levels of the river. In size it is about four miles long by two miles broad. Behind it towers, 700 feet above the river level, the huge shape of Mount Royal, from which the city takes its name. Montreal is naturally the chief railway centre of Canada; the Canadian Pacific and the Grand Trunk Pacific Railways have headquarters in the city, and in all ten railway lines run through or have their terminus in Montreal. Montreal has all the characteristics of an English manufacturing town in times of brisk trade.

The wharves, where fourteen important lines of steamers have their port of call, are hives of energy, and the smoke from hundreds of factory chimneys obscures the air. The river is open for seven months in the year, and the quays can accommodate many of the largest modern liners. By a system of canals which ends at Montreal there is a continuous waterway during the open season from the ports of Lake Superior to the Atlantic. Montreal has been called the "City of Churches." Many of the buildings date back to the early days of French Canada. Dwarfing all the rest is the vast Roman Catholic cathedral of Nôtre-Dame, one of the largest churches in the North American continent, which has accommodation for over 12,000 people.

Of the public buildings at Montreal the most notable is that of the McGill University, which takes high place among the educational institutions of Canada. Not far from Montreal are the celebrated Lachine Rapids which run through the narrow gorge between the Canadian Pacific Railway bridge and the Victoria bridge. Steamers ply upon these dangerous waters, and to shoot the rushing rapids is one of the experiences which one seeks once in a lifetime and remembers ever afterwards. Undoubtedly one of the chief sights of Montreal is the Victoria Bridge which spans the river at a point where it is two miles wide. The present bridge, built about ten years ago, replaced the original tubular bridge designed by Robert Stevenson.

Quebec

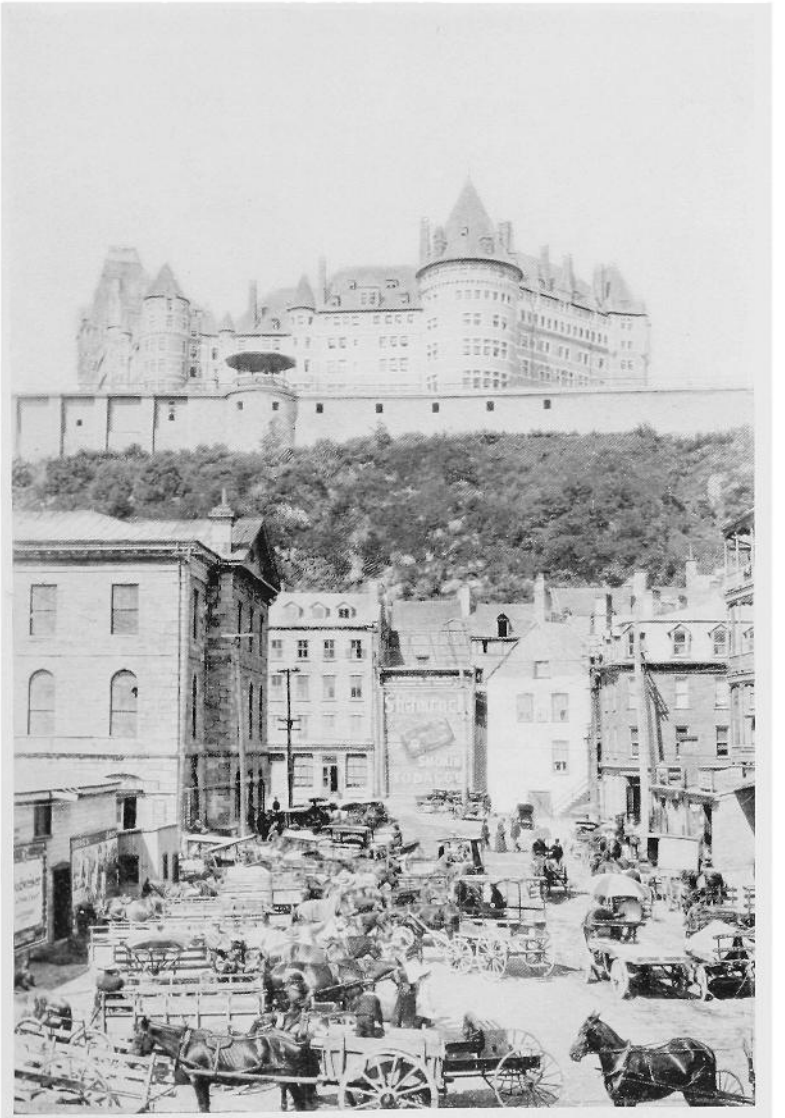
Over-past in the race for wealth and commerce by its pushing neighbour, Montreal, the old city of Quebec stands apart and most deeply fascinating for the lover of the picturesque and the student of history. Quebec is purely French—French in its buildings, in its churches, in its people; French in its whole atmosphere. The buildings nearly all convey to the mind the fact that one

is in an old-fashioned French town. The people are more courteous and less hustling than their neighbours of Montreal. They have the air of men who say, "Enough is as good as a feast." Around the old city is a massive wall redolent of the stories of bygone years, for Quebec has stood five sieges, from the land, from the river, and has held at bay the savagery of the Indians. Raising one's eyes above the city one sees the height of Cape Diamond crowned by the vast citadel once called the key to Canada. Planned by a French Canadian, De Lery, and built by the order of the Duke of Wellington at a cost of $5,000,000, the citadel is a monument to the engineering skill of the time, though by no means suitable for a defensive work to-day.

Toronto

Enthroned upon the shores of Lake Ontario lies Toronto, in its way one of the finest cities of the continent. It is a city of large distances, of long streets and fine buildings; tree-edged when the centre or business part is passed. Toronto was planned on a large scale and laid out without regard to space, unlike many Canadian cities which have grown up carelessly as it were. Yonge Street, for example which leads through the centre of the town, stretches for some miles. The residential districts are peculiarly attractive, even workmen's houses have well-kept gardens in front of them, and the green of grass and trees abounds everywhere to delight the eye. It is essentially a city of homes and one of its great charms is partly attributable to the University atmosphere. Yet, while the picturesque is prominent, it must not be forgotten Toronto has its commercial side, for within a circle of sixty miles from the centre are produced some two-thirds of Canada's manufactures.

Toronto with its estimated population of 402,000 is the centre of British-Canadian influence, and the capital of the province of Ontario. Of the thirty-three Chartered



CHAMPLAIN MARKET, QUEBEC, SHOWING THE HOTEL FRONTENAC

banks operating in Canada, eleven have their Head Offices in Toronto. The magnitude of the business carried on is shown by the Clearing-house returns which in 1909 were 1,437,700,477 dollars. Seventy-six insurance companies have offices in the city, twenty-four of which are head offices.

For many years past there has been great activity in building, and whereas in 1904 the estimated value of the buildings erected was less than six million dollars, the value of those erected in 1909 was over 18,000,000 dollars. The city is well provided with open spaces, there being no fewer than thirty-nine parks and squares. Among these are High Park, covering 235 acres, Riverdale Park and Zoo (108 acres), the Island (178 acres), the Exhibition Park (233 acres), Hanlan Park, Queen's Park, and the Allan Gardens. There is a proposal to connect the city parks with wide boulevards and drives. Toronto is well served with railways, more especially by the Grand Trunk, the Canadian Pacific and the Canadian Northern, and the facilities of these are supplemented by the radial lines which serve as feeders to the city, as well as by the water-borne traffic.

The city claims to be the chief centre of education in the Dominion of Canada. Within the University of Toronto there are four federated Arts Colleges, and the number of students registered in the University and its faculties is over 4,000. Besides the higher educational institutions, there are seventy-four Public Schools, seven High Schools and a Technical School. In addition to the Public Schools, which have nearly 40,000 registered pupils on their registers, there are nineteen Separate Schools with 6,474 pupils registered.

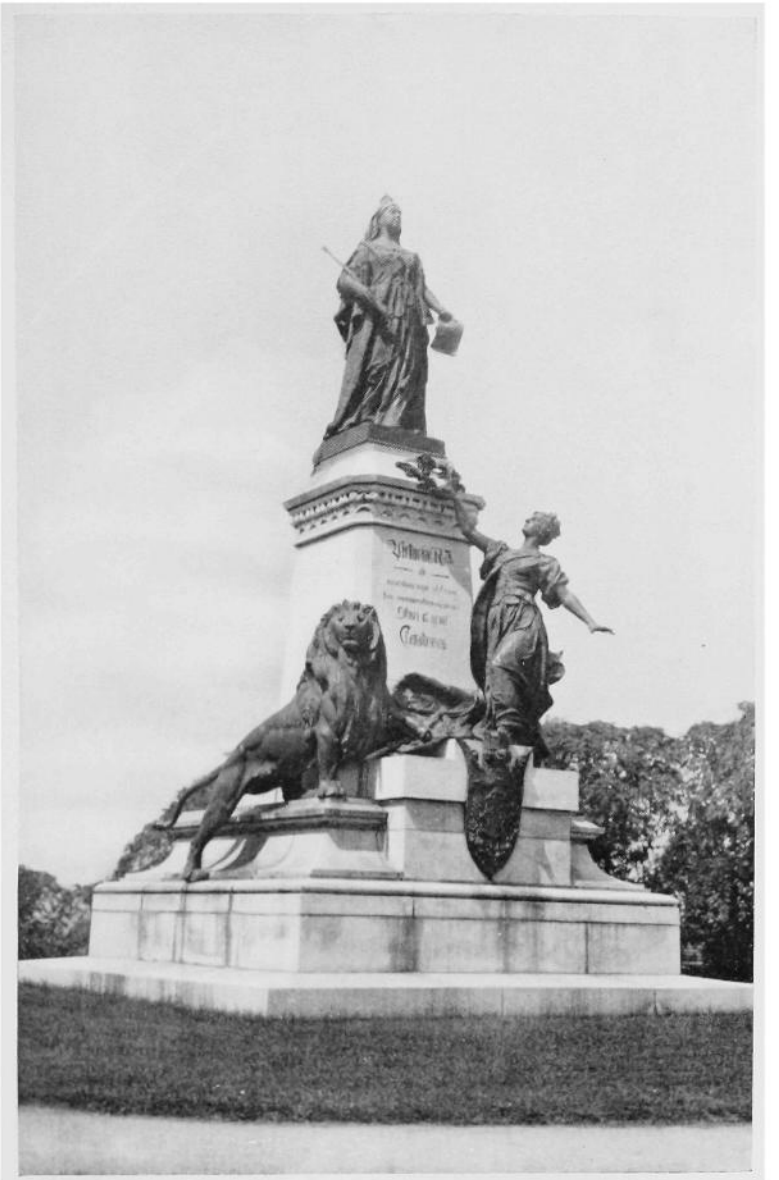
HAMILTON

Hamilton, which is situated on the south shore of Hamilton Bay, the western extremity of Lake Ontario,

forty miles distant from Toronto, is an attractive city, and can not only boast of being one of the most important manufacturing centres of the Dominion, but to be the distributing centre of the fruit grown in the fertile Niagara Peninsula. The town has a magnificent water front and an excellent natural harbour. Its geographical position makes it a convenient railway centre, and the climate is most desirable. Founded in 1795 it was not until 1832 that anything of importance was done towards making Hamilton the busy manufacturing town which it has since become. Besides the many factories which have long been established there, Hamilton, by reason of the excellent inducements held out, has acquired a large number of branches of important United States industries. Electric power is available at low rates in addition to natural gas, and with its other natural advantages the city may be expected to forge ahead even more rapidly in the future than in the past. The present population, which at the Census of 1901 was 52,634, is estimated to be over 70,000.

Ottawa

Ottawa, the capital of the Dominion of Canada, is situated on the south bank of the river of the same name, and is about 120 miles distant from Montreal. Here are the magnificent Government buildings, Gothic in style, situated on a high bluff overlooking the river. The city is the political capital of the Dominion, and in addition to the Members of Parliament and Senators, there are, of course, a large number of Civil Servants resident there, which gives the place quite a distinct atmosphere as compared with Toronto and other towns in the province. Ottawa is a well-kept city, has fine parks, and large sums of money are spent annually in improvements by a Commission which will in time make the city one of the most attractive in Canada.



VICTORIA MONUMENT, OTTAWA

Many important industries have been established in Ottawa and the neighbourhood, in addition to the great lumber mills for which the town has always been noted, and many developments are bound to take place, as Ottawa is favourably situated on the main line of several great railways. Outside the city is to be found the Central Experimental Farm belonging to the Dominion government, which is not only a place of great interest in itself, by reason of the valuable work carried on, but is the headquarters of the staff which directs the similar work that is carried on at other experimental farms throughout the Dominion.

Halifax

Halifax, the capital of the province of Nova Scotia, occupies a commanding position as the most easterly seaport of Canada and rejoices in possessing one of the world's finest natural harbours. The city is the eastern terminus of the Inter-colonial Railway, by which it is connected up with the other great railway systems of the Dominion, and is otherwise well served by provincial lines. While, perhaps, no longer an Imperial naval and military station of the first importance, a garrison is still maintained by the Canadian government and the vessels of the newly-formed Canadian Naval Service will make this their principal Atlantic base. As a commercial port open all the year round, Halifax is bound to prosper by reason of its excellent geographical position, and there are already, in addition to regular steamship services with the United Kingdom, sailings to the West Indies, Newfoundland and eastern United States ports. Besides being the greatest entrepôt of the fish trade of Canada, the city is a manufacturing centre of importance, while it also claims to be a desirable place of residence owing to the social and educational advantages it enjoys. The present population is about 45,000.

St. John

St. John is a comparatively modern city with a population numbering some fifty-seven thousand inhabitants, and by far the most important business centre in New Brunswick, though Fredericton is the provincial seat of Government. Since the disastrous fire in 1877 a handsome town has sprung up and the splendid harbour affords every accommodation for a large number of vessels. As the terminus of the Canadian Pacific Railway, the city port has gained rapidly in importance with the increase in traffic that line has enjoyed, while it has also other railway connections, including the Inter-colonial. Its inhabitants are enterprising and progressive, and fully imbued with the opinion that their town has a great destiny before it. Many large industrial establishments of various kinds are located in St. John and its vicinity, and the city can boast of fine buildings, churches and streets. The Reversible Falls on the St. John River form a remarkable natural feature of great interest to visitors to the city. The river drops some fifteen feet into the harbour at low tide, but the rise of the tide in the Bay of Fundy is so great as not only to overcome to the fall, but to actually reverse the flow of water up stream.

Winnipeg

Winnipeg, now one of the best known cities in the Dominion, is spoken of as the Chicago of Canada. It has grown since 1870 from a small trading post with a population of some few hundreds to a fine modern city with some 130,000 (the local claim is 170,000) inhabitants. Situated at the junction of the Assiniboine and Red Rivers, forty miles south of Lake Winnipeg, the city has become the depôt for the enormous trade of the Western provinces and is a business centre of the first importance. Its phenomenal growth is, of course, attributable to the agricultural development of the

prairie country of the West, and as showing the importance of its situation, it may be mentioned that as the headquarters of the Manitoba Inspection Division, over seventy-three million bushels of wheat alone were inspected there in 1909. More wheat is handled annually at this point than even at St. Paul or Minneapolis, in fact, the total wheat transactions at Winnipeg are the largest of any city in the world. The number of cattle received at the stock-yards in 1909 was 169,458, in addition to which 128,000 hogs and 24,200 sheep were also dealt with. The city is the seat of the Provincial Government of Manitoba, and is becoming an important educational centre, the University of Manitoba and the Provincial Board of Education being located there. Many of the largest manufacturers and mercantile houses in eastern Canada have found it necessary to establish branches in Winnipeg in order to cope with their Western trade, and the large factories, stores and other kinds of business premises which have been erected, have given the city an imposing aspect which was lacking but a few years since. Great improvements have been made in the direction of providing fine broad streets, avenues and boulevards, on the latter of which numbers of shade trees have been planted. There are nine parks tastefully laid out and cultivated under the control of the Public Parks Board and two other open spaces outside the city limits. The city is well lighted and served with street railways, and as steps have been taken to secure electric power generated on the river, rapid progress may be expected to take place in its industrial development.

Edmonton

Edmonton, the capital of the province of Alberta, was formerly best known as the "jumping-off place" for the fur-trade regions to the north. At the Census of 1906 it had a population of over 20,000, and the number

of the inhabitants at the present time is estimated to be over 28,000. The rate of increase will probably be greater in the immediate future, as the city is a divisional point on the Grand Trunk Pacific Railway, and the Canadian Northern Railway main line passes through it. There is also a connection from Calgary with the Canadian Pacific Railway. No finer situation could have been selected for the capital of the province. The city is situated on a plateau on the edge of the beautiful valley of the Saskatchewan, and is at the head of navigation on the river for all points north of the Peace River district. A handsome parliament building and a university (at Strathcona) is in course of erection. Opposite Edmonton is the town of Strathcona, a thriving business centre with a rapidly growing population, destined, no doubt, to join its fortunes with its bigger neighbour.

Calgary

Calgary, a charmingly situated town, overlooked by the white peaks of the Rocky Mountains, on the Bow and Elbow Rivers, and on the main line of the Canadian Pacific Railway, is the wholesale distributing point and financial centre for southern Alberta. It is connected with Edmonton by a branch line running through an important section of country which is becoming rapidly settled, and will undoubtedly develop into a town of much greater importance than it now is. Although comparatively new, Calgary has some very fine buildings and well planned avenues in its residential parts. As the centre of the ranching district and with an abundance of natural resources in the neighbourhood, such as coal, lumber and building materials, the city has many advantages, and is possessed of a most enterprising body of citizens who have shown their determination to make Calgary one of the most desirable places of residence in Western Canada. It claims a population of 50,000.

A GREAT PACIFIC PORT

Vancouver

To obtain some idea of the former appearance of the site of the present city of Vancouver, it is sufficient to pay a visit to Stanley Park, a magnificent pleasure resort in the vicinity. There may be seen groves of towering fir and cedar trees, such as were growing at the time when it was decided to make the terminus of the newly constructed Canadian Pacific Railway on Burrard Inlet. The dense forest was cleared, and from the month of May until July, in the year 1886, a town began to grow with surprising rapidity, but was wiped out by a destructive fire which spread from the surrounding forest. Since then Vancouver has grown by leaps and bounds, and now has a population of over 100,000. It has a picturesque and favourable situation on Burrard Inlet, and a superb harbour, which is always safely navigable.

The trade of Vancouver is already large, and is steadily increasing. Steamships ply regularly from the port to China and Japan, and to Australia and New Zealand, in addition to which there are numerous other sailings, thus rendering Vancouver one of the principal ports of the North American Continent. In addition to extensive wharves and warehouses, Vancouver possesses many fine buildings, business premises, churches, schools, libraries, hotels, and clubs, and compares favourably with many other cities founded at a very much earlier date. There is a complete electric service, with extensions to New Westminster and Lulu Island, and telephone connections with Victoria and other towns on Vancouver Island, Seattle, and many other places of importance in the district. There is also an excellent service of steamships making daily trips between Vancouver, Victoria, and Seattle. A good water supply and sewage system have been provided, and the city is well lighted both by electricity and gas. Supplies of coal are obtained from Nanaimo on Vancouver Island, and a water-power

sufficient to develop 300,000 h.p. has recently been made available.

Victoria

The approach by water to Victoria, the capital of British Columbia, has often been described as nearly, if not quite, equal in beauty to the approach to Stockholm. The city is situated on a deep, narrow inlet opening from the Strait of Juan de Fuca into the south-eastern coast of Vancouver Island, and is eighty miles distant from the mainland. Added to the beauties of its immediate neighbourhood there are superb views of the Olympian chain and the snow-capped Mount Baker. The geniality of the climate, which may be compared to that of the south of England, renders the city a most desirable place of residence, and it boasts of being the most English town in Canada. There is hardly an English garden flower which is not to be found growing in its gardens, besides many indigenous flowering shrubs, and roses bloom on till Christmas time.

The city is a thriving one, and there are many handsome hotels, business blocks, and fine shops; but the parliament building is an outstanding feature of its architecture, and ranks among the finest public buildings in North America.

Like Vancouver, Victoria is a port of very considerable importance, and is, moreover, the headquarters of the Canadian seal-fishing industry. A few miles distant is Esquimalt, which was until recently a British naval station, with a splendid land-locked harbour. It will henceforth be used as the Pacific headquarters of the newly-established Canadian Navy.

Now that the immense resources of Vancouver Island in timber, minerals, and agricultural resources are beginning to be recognised at their true value, it is difficult to limit the extent to which the city of Victoria may be expected to develop in the near future.

CHAPTER VIII

The Governor-General and the High Commissioner

In Canada the Crown is represented by a Governor-General who holds office during the pleasure of the Sovereign of Great Britain. An administrator or other officer may be appointed by the Dominion Government on behalf of the Crown, and all provisions made in the Act of Confederation in reference to the Governor-General, apply to him. The Governor-General chooses and summons his Privy Councillors, and should the Government of Canada require it, removes them.

At the time of Confederation, Lord Monck, then Governor-General, inserted the names of the Senators in the Queen's proclamation of the Union. Any additional Senators were thereafter to be summoned by the Governor-General, and, whenever there is a vacancy in the Senate, the Governor-General appoints a qualified person. He appoints the Speaker of the Senate, and can remove him. He also summons and calls together the Parliament of Canada in His Majesty's name, and may dissolve it within a period of five years from its opening. He is empowered to assent, in the King's name, to Bills passed in both Houses; or he may refuse the assent of the King, and even reserve bills for the expression of His Majesty's pleasure. The Governor-General, also, with certain exceptions, appoints Judges for the various Courts, and may remove Judges of the Superior Courts on an address of the Senate and House of Commons.

An appeal will lie to the Governor-General in Council from any Act or decision of any provincial authority in regard to separate or dissentient schools in respect to Education, affecting the rights and privileges of

supporters of such schools, and in case the law of the particular province seems to him requisite for this purpose; or in case the provincial authorities do not duly execute the directions of the Governor-General in Council in any such appeal, the Parliament of Canada may legislate thereon.

The Lieutenant-Governor of the provinces holds office during the pleasure of the Governor-General; but no Lieutenant-Governor can be removed within five years from his appointment except for cause assigned. It is lawful for the King, if His Majesty think fit, to authorise the Governor-General to appoint any person or persons to be his deputies within any part or parts of Canada, and, as such, to exercise during his pleasure such powers as he may assign to him or them. He must recommend to the House all Money Bills, but he originates no measures, and by himself has no legislative powers.

The powers of the Governor-General in respect of the disallowance of Provincial Acts are as great as those of the King in respect of Dominion Acts. He is, however, expected to exercise sound discretion, and for the exercise of this discretion the Executive Council for the time being is responsible. This power of veto is given to the Governor-General in Council, and not to the Governor-General, and, as to the significance of this fact, it may be interesting to quote the words of Sir John Macdonald.

Whether "in any case power is given to the Governor-General to act individually or with the aid of his Council, the Act, as one within the Canadian constitution, must be on the advice of a responsible Minister. The distinction drawn in the Statute between an Act of the Governor and an Act of the Governor-General in Council is a technical one, and arose from the fact that, in Canada, for a long period before Confederation, certain acts of administration were required by law to be done under the sanction of an Order in Council while others did not

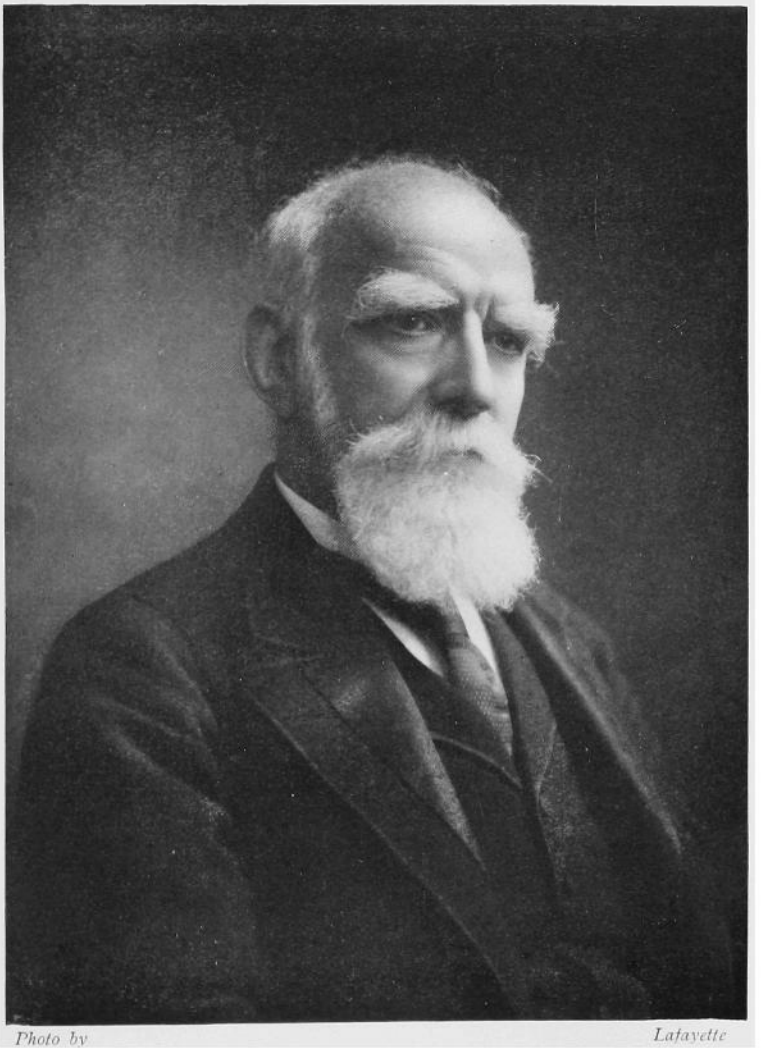


Photo by *Lafayette*

THE RT. HON. LORD STRATHCONA AND MOUNT ROYAL, G.C.M.G., G.C.V.O., LL.D., HIGH COMMISSIONER IN LONDON FOR THE DOMINION OF CANADA

require that formality. In both cases, however, since responsible government has been conceded, such acts have always been performed under the advice of a responsible ministry or minister."

In 1875 a resolution was moved in the House of Commons by the Hon. Edward Blake, then Minister of Justice of Canada. The resolution affirmed that, in the opinion of the House, the power of disallowance of Acts of a Local Legislature conferred by the British North America Act was vested in the Governor-General in Council, and that His Excellency's ministers were responsible to Parliament for the action of the Governor-General in exercising or abstaining from the exercise of this power.

The matter arose in connection with certain New Brunswick Acts, which His Excellency's ministers advised him it was his duty to disallow. The Governor-General then stated that he was not prepared to comply with the terms of the resolution, and that he would submit the case to Her Majesty's Government for consideration. This was done, and an answer was received from the then Colonial Secretary, to the effect that the Acts of the New Brunswick Legislature were within the powers of that Legislature, and that the Canadian House of Commons could not constitutionally interfere with their operation. It was added that this was a matter on which the Governor-General must act on his own individual discretion, and could not be guided by the advice of his responsible ministers if the Dominion disallow.

Mr. Blake observed that the doctrine that the Governor-General should act on his own individual discretion in cases of disallowance was one that could not be maintained consistent with the letter and spirit of the Constitution. Under the powers of the B. N. A. Act, Mr. Blake maintained that that power was vested in

the Governor-General in Council, and that he could not disallow except upon the advice of his ministers. He admitted that the Governor-General could say that he could not follow the advice of his ministers, but that, in that case, it was for the ministry to withdraw that advice or withdraw from his service, leaving the issue, which was right. But the gravest point was that there was an assertion that the power of disallowing local Acts was vested in the Governor-General individually, and in which he could not be guided by the advice of his responsible ministers. Mr. Blake maintained that there was no such power, and that the language which was contained in the instruction was such that, if it were acceded to by the Canadian Parliament, it would be destructive of the principle of responsible government. Sir John Macdonald spoke very much to the same effect, and said that the right of disallowance of any Act of a Colonial Legislature by the Queen herself, in her personal capacity and by virtue of her royal prerogative, separate from the advice of her advisers, had long since passed away; that the American revolution had pretty well settled that question.

The Premier informed Mr. Blake that the Executive had taken action, and the latter gentleman withdrew his motion, remarking that he had no doubt what the action of the Executive would be, yet, if it should be unsatisfactory the matter could be raised again. The principle laid down by Mr. Blake, has, however, been accepted ever since.

The general powers of the Governor-General are defined by the British North America Act as follows :—

> All Powers, Authorities and Functions which under any Act of the Parliament of Great Britain, or of the Parliament of the United Kingdom of Great Britain and Ireland, or of the Legislature of Upper Canada, Lower Canada, Canada, Nova Scotia or

> New Brunswick are at the Union vested in or exercisable by the respective Governors or Lieutenant-Governors of those Provinces, with the advice, or with the advice and consent of the respective Executive Councils thereof, or in conjunction with those Councils, or with any number of members thereof, or by those Governors or Lieutenant-Governors individually, shall, as far as the same continue in existence and capable of being exercised after the Union in relation to the Government of Canada, be vested in and exercised by the Governor-General, with the advice, or with the advice and consent of or in conjunction with the Queen's Privy Council for Canada, or any members thereof, or by the Governor-General individually, as the case requires, subject nevertheless (except with respect to such as exist under Acts of the Parliament of Great Britain or of the Parliament of the United Kingdom of Great Britain and Ireland) to be abolished or altered by the Parliament of Canada.

So much for the nominal position, but there is much truth in what the late Mr. Goldwin Smith remarked, namely, that " The practical aim of a Governor-General is social popularity combined with political peace."

The High Commissioner for Canada

During a visit to Great Britain in 1879 of the then Canadian Premier, Sir John A. Macdonald, with Sir Leonard Tilley and Sir Charles Tupper, a memorandum was presented by them urging the necessity of providing further means for constant and confidential communication between Her Majesty's Government and the Dominion of Canada, and recommending that a representative of the Dominion should be appointed to reside permanently in London, and that he should be granted a quasi-diplomatic position. It was pointed out that the policy of

the Empire having placed upon Canada, the administration of the whole of British North America with the attendant duties and responsibilities appertaining thereto, that daily experience was showing the absolute necessity of providing means of constant and confidential communication between Her Majesty's Government and her local advisers in Canada. It was remarked that the Dominion had ceased to occupy the position of an ordinary possession of the Crown, existing, as she did, in the form of a powerful central Government having, at that time, no less than seven subordinate local executive and legislative systems ; and that her central Government was becoming even more responsible than the Imperial Government for the maintenance of international relations with the United States, a subject requiring great prudence and care, as the populations of the two countries extended along and mingled across the vast frontier line. It was urged that it was impossible that the questions constantly arising could be satisfactorily submitted for the consideration of Her Majesty's Government in any other mode than that of personal communication, and that such subjects at the time under consideration necessitated the presence in London of no less than three Canadian Ministers, which entailed serious inconvenience. It was further urged that the rapidly increasing commerce of Canada, and her growing trade with foreign nations, was proving the absolute need of direct negotiation ; that in Treaties of commerce entered into by England reference had only been made to their effect on the United Kingdom ; and that the necessity had arisen for providing separate and distinct trade conventions with all foreign powers with whom Canada had distinct trade was a necessity ; especially in view of the fact that the Parliament of Canada held different views on tariff matters to those which were held by Her Majesty's Government. They, therefore, submitted that when such negotiations

were undertaken, Her Majesty's Government should advise the Monarch specially to accredit the representative of Canada to the foreign court, by association, for the special object, with the resident Minister or other Imperial negotiator. With a view to giving effect to the foregoing policy, it was suggested that Her Majesty's Government should consent to receive an official representative from Canada for the purpose of securing the most early and confidential communication of their views, and that, when so requested, the proposed Minister should be accredited to foreign courts in the manner above mentioned; also that such representative should be accorded a quasi-diplomatic position at the Court of St. James, with the social advantages appertaining thereto.

The Canadian Government, it was stated, desired to surround the proposed appointment with all the importance which should attach to an official charged with such high duties. He should, therefore, it was held, be selected from the Queen's Privy Council for Canada, and specially entrusted with the general supervision of all the political, material and financial interests of Canada in England, subject to instructions from his Government. It was suggested that the dignity of the office, and the advantage of its proper recognition, appeared to require a more expressive title than that of Agent-General; it was therefore suggested that the designation should be Resident Minister, or such other name of equal import as Her Majesty's Government might suggest.

The Colonial Secretary, in transmitting a copy of the memorandum to the Governor-General at Ottawa, stated that Her Majesty's Government were very sensible of the advantage which might result from the appointment of a gentleman who, residing in England, would be fully empowered to explain their views on important questions concerning Canada. He added that, looking to the position of Canada as an integral portion of the Empire,

the relations of such a representative with Her Majesty's Government would not be correctly defined as of a diplomatic character; and that, while Her Majesty's Government would readily assign to him a status in every way worthy of his important functions, his position would necessarily be more analagous to that of an officer in the Home Service, than to that of a Minister of a foreign court. He would, therefore, primarily communicate with the Colonial Office on the various subjects which might be entrusted to him, and the Colonial Secretary stated that while Her Majesty's Government would readily avail itself of any information he might afford, and give the fullest consideration to any representations made by him, it would rest with the Secretary of State for Foreign Affairs to determine in what capacity his services might best be rendered with a foreign court in the interests of the Dominion.

The High Commissioner for Canada was appointed by Statute in 1880, which recited that he should:— Act as representative and resident Agent of Canada in the United Kingdom, and in that capacity execute the powers and perform such duties as were, from time to time, conferred upon him by the Governor in Council. It was also provided that he should take the charge, supervision and control of the immigration offices and agencies in the United Kingdom, and generally, carry out such instructions as he might receive from the Governor in Council respecting the commercial, financial and general interests of Canada in the United Kingdom and elsewhere.

When it was first established the High Commissioner's Office was not well known, and received but little attention from the powers that were. It has, however, as the years rolled on, steadily grown in importance, and, it can safely be said that, largely through its efforts, Canada has become, in Great Britain, the best known portion of the Empire. Canada has, as promised, given of her best

to conduct the affairs of the Dominion in this country, and the three High Commissioners who have already served her here—Sir Alexander Galt, Sir Charles Tupper, and Lord Strathcona—are all names to conjure with.

The High Commissioner's Office has performed most useful service, and has gained a widespread influence. It has not only brought the Dominion prominently to the front in the most important centre in the world, but at the same time it has helped to educate the public mind as to other parts of the Empire. The almost triumphal reception recently extended to the newly-appointed High Commissioner for Australia, at which Canadians rejoiced equally with their Australian cousins, was in vivid contrast to the indifference shown by the public, at least to the first High Commissioner for Canada; and, at the same time, enables us to gauge the great change in national feeling towards the great British communities overseas.

PART III

CONSTITUTIONAL PARLIAMENT, ETC.

CHAPTER I

Constitutional History

In considering the Constitutional history of Canada, it will be found that it divides itself naturally into four epochs. (1) The period of French rule between 1608 and 1760, (2) the period from 1760 to 1840 when representative institutions were slowly evolving to their full strength, (3) the period from 1840 to 1867 when representative government was fully established, and the Federal Union was accomplished, and (4) the period after Federation.

For some sixty years after 1608 Canada was in the control of commercial companies to whom the King had granted exclusive trading rights, and practically delegated his authority. In 1664, however, the rule of the companies came to end and regular government was established in Canada, which became neither more nor less than a French province, and so subject to the absolute monarchy of the French King. The head of the province had only such powers as were given him by the King, and these were of the smallest. The government was conducted by a Governor who was, in fact, military Governor; and an Intendant whose functions included legislative work, finance, and the administration of the law. These two officers were assisted by a council, of whom the Bishop of the Roman Catholic Church was the most important member.

So long as Canada remained in the hands of France, this system, based as it was on the French principles of government, admirably suited the needs of the people; but when, in 1760, the French rule came to an end, and Canada became the possession of England, a proclamation was issued by George III which established the first system of English government in the possession. The right was given to the people to elect representatives; but, since the vast majority of the inhabitants were of French extraction and refused to take the prescribed oath, the concession of representative legislative bodies was withheld.

In 1774 the Quebec Act gave the first constitution to the new province, the government was entrusted to a Governor and legislative council appointed by the King, while the proposed elected assembly was postponed until the country should be more fully prepared for it.

The council by which the Governor was assisted in his work of ruling the country was called the Privy Council, and consisted of five persons chiefly members of the legislative council.

On the whole, the Quebec Act gave great satisfaction to the French Canadians, who were quite content with a system which allowed one or more of their leading men a seat on the council. The fact which in their minds was of prime importance was that the Act placed the Roman Catholic population on the same footing as the English Protestants; that it allowed their Church, as a corporate body, to retain its property; and that it restored French civil law in respect of property and individual rights.

With the advent of the United Empire Loyalists, as they were called, the situation was considerably changed. As we have shown in a previous chapter the immigration of this great party of English-speaking people had a great effect on the political outlook of Canada. With the Englishman's ingrained belief in representative

institutions they were inclined to be restive under the restrictions of an autocratic legislative council, in the election of which they had no voice. Constant differences, too, were arising between the English and French-speaking population, arising from the ignorance of each party concerning the civil law of the country.

With the idea of separating these two incompatible forces of ideas the British Government once again interfered in the management of the country, and separated Canada into two provinces : Upper Canada, almost entirely composed of English-speaking Protestants, and Lower Canada of French-speaking Catholics.

The object of the Constitutional Act of 1791 was to allow these two provinces to work out their salvation independent of one another. The people, for the first time, were to be represented in an assembly elected by themselves, a Governor-General was appointed for Lower Canada, and a Lieutenant-Governor for Upper Canada, both nominees of the Sovereign.

In each province was an executive body chosen by the Governor, a legislative council also chosen by the Governor, and an assembly elected by the people on a restricted franchise. A seat in either house was dependent upon certain party qualifications.

While the Act of 1791 was a great advance it had this serious drawback : the advisors of the executive were not the representatives of the people. This was particularly noticeable in the case of Lower Canada where the official class was English and the representative class was French. As a result, there was friction between the Council and an Assembly which agitated continually for the control of public expenditure in accordance with the custom of the English Parliament.

In Upper Canada, where the race difficulty did not exist, the act worked much more smoothly. It is true that an official class known as the " Family Compact "

held in its hands practically the Northern province, and the question of Clergy Reserves, which arose in consequence of large tracts of land granted to the Protestant Church of Canada, was fiercely debated for a long time.

The Act of 1840 gave the Canadian legislators full control of taxation, supply, and expenditure, in accordance with English constitutional principles. The lands of the Clergy Reserves were held.

The land question of Lower Canada, which raged around the existing Seigniorial tenure, was ended by buying up the claims of the Seigniors and so freeing the habitants from many vexatious restrictions which had been laid upon them. Municipal institutions were established, and local government, the affairs of counties, townships, cities and parishes was established; and a beginning was made in the formation of a permanent civil service for the administration of public affairs.

To say that the French Canadians looked upon the Act with no amount of sympathy would understate the case. The French language was no longer on the same footing as the English language, and the fact that Upper Canada had the same representation as Lower Canada in spite of the larger population of the latter section, was considered an injustice to French Canadians. In practice it was found, however, that the Act eventually gave them the predominance in the councils of the country. By an amendment in the Union Act French became an official language, and the provision for equality of representation was a great source of strength to the French when the population of English Canada by leaps and bounds surpassed that of the lower province.

Before completing the survey of the constitutional development of Canada one must notice the Maritime provinces, that is to say, Nova Scotia, New Brunswick, Prince Edward Island, and Cape Breton, which came

into the possession of England by the Treaty of Utrecht and the Treaty of Paris, 1763. A written constitution was never given by the Parliament of Great Britain to these provinces as in the case of Upper and Lower Canada, and the history of their political development is only to be found in the various official documents of Colonial Secretaries of State, despatches, statutes, and other out-of-the-way sources.

In Nova Scotia from 1713 to 1758 the provincial government consisted of a Governor or Lieutenant-Governor and a council, which was both legislative and executive. On October 2nd, 1758, thirty-four years before the representative assembly met in Upper Canada, the legislative assembly sat at Halifax for the first time. New Brunswick, founded by Loyalists, was created a distinct province in 1784 and was governed by a Lieutenant-Governor and a Council, with both legislative and executive functions, assisted by an assembly elected by the people.

Though the existence of these irresponsible councils caused a certain amount of dissatisfaction in the Maritime provinces, there was less discontent than in Upper and Lower Canada, because there was less obstruction to the will of the people. In New Brunswick, especially, political feeling ran high, but this was restored by the grant of revenues to the Assembly. Before 1840 the dual function of controlling justice and executive ability was taken away from the Councils, and by 1848 responsible government was established formally as it was in the province of Canada.

Cape Breton, known in French history as the "Île Royale," did not come into the power of England until 1763 when it was annexed to Nova Scotia. In 1784 it was given a special constitution with a government consisting of a Lieutenant-Governor and council, and this remained in force until, in 1820, it once more formed part of Nova Scotia.



AN OX-CART: AN OCCASIONAL SIGHT IN NOVA SCOTIA

Prince Edward Island was detached from Nova Scotia in 1769, and became a province ruled by a Lieutenant-Governor and a combined executive and Legislative Council. In 1773 the first assembly was elected. Responsible government was not actually introduced until 1850-51, when, after a long fight with absentee landlords and an autocratic government, the Assembly obtained full control of its public revenues and its local affairs.

In reviewing the period of English rule which followed on the absolute monarchy of France, we find at the close of the century 1763-1863, that the following political rights had been granted to Canada :—

1. The principles of religious equality and the preservation to the French Canadians of their law and language.
2. The adoption of English criminal law in Lower as well as Upper Canada.
3. The establishment of representative institutions in every province.
4. Complete control granted to the provinces over all local revenues and expenditure, without Imperial interference. The establishment of municipal institutions.
5. The principle of the responsibility of the Executive Council of Ministers to the legislative assembly.

The experience gained in self-government during the period 1840-60 proved that Canada needed some drastic change in her constitution in order to place her on a level with the other great powers of the world. In 1867 a council of thirty-three representative men was held and as a result a set of seventy-two resolutions was adopted in which the provinces agreed to Federal Union ; and in 1867, as we have shown, the Imperial Parliament passed the Constitution known as the British North America Act of 1867.

The conditions of the Federal Union and the means by which it was attained have been dealt with in a chapter

on the Dawn of Confederation, and we are here only concerned with the constitutional side of Federation.

As regards Canada, the situation may be stated concisely :—It is a Federation of Provinces controlled by a central government which exercises general powers over all the members of the Union. There are, besides, a number of local Governors controlling affairs which naturally and conveniently come within their provinces.

The Imperial Government has executive, legislative and judicial supremacy over the Dominion, and this power is vested in the Sovereign acting on the advice of the Cabinet, the judicial committee of the Privy Council, and the Parliament. The Dominion Government is the central authority of the Federation whose executive, legislative and judicial powers are exercised through a Governor-General appointed by the Sovereign, and acting under the advice of a responsible council, the Dominion parliament and a Supreme Court.

The provincial Governments have executive, legislative, and judicial powers within their constitutional limits ; such powers being vested in a Lieutenant-Governor appointed by the Governor-General in council, the Executive Council, Legislature and Judiciary.

The fundamental principle formulated in the British North America Act, that the Canadian Constitution had to be moulded on that of the British is shown very clearly in the Canadian rights of self-government. No people under British government can be taxed except with their own consent and through their representatives. This being so, since the complete system of self-government and control over taxation and expenditure has been granted to Canada, it is only by parliamentary action that taxes can be imposed or moneys expended.

Power to make Treaties with foreign countries has so far been withheld from Canada, the principle being that as a Dependency she cannot of her own action enter into

an arrangement with a Sovereign nation. While this is perfectly true, it should be said that in practice, when the question of Canadian policy is under consideration the King in council chooses and gives the necessary authority to Canadian representatives to arrange Treaties immediately affecting Canada, such Treaties being subsequently passed by the Canadian Parliament, and approved by the Imperial Government.

It is a provision of the Canadian Constitution that every act passed by the parliament of Canada must be submitted by the Governor-General to the King in council. The nominal right is reserved to the Sovereign to disallow an Act which it is considered might be detrimental to the best interests of the Empire as a whole, but it would be clearly unconstitutional for the Imperial Government to interfere in any matter which is purely the local or domestic concern of the Canadian people.

At the head of the Dominion stands the Governor-General, representing the Sovereign. This functionary is generally chosen from the prominent men of England, and has the dual function of governing the Dominion whilst at the same time responsible for the interests of the Mother Country. As the head of the Executive it is the duty of the Governor-General to assemble, prorogue, and dissolve parliament, and to assent or reserve the bills passed by parliament in matters of imperial interest.

He consults with his Council and submits their views to the Secretary of State in England. On Canadian questions he is bound by the advice of the Council, and should he differ from them on any vital question of policy or principle, he must either accept their views or exercise his dangerous power of dismissing the Ministry, which latter alternative it is certain would never be adopted.

Representing the Sovereign, and being at the head of the Dominion of Canada, the Governor-General is expected

to keep himself entirely aloof from all political controversies; and, with no axe to grind, and no end in view but the good of the Dominion of Canada, he necessarily holds a position of some importance in the scheme of political affairs. With very obvious limitations he may perhaps be regarded as the constitutional Sovereign *pro tem.* of Canada.

The council which advises the Governor-General of Canada is known as the "King's Privy Council for Canada." It occupies precisely the position of the English Privy Council, that is to say, that its members when not actually in the Cabinet retain their honorary rank but have no duties. Ministers nominated by the Governor-General are first of all appointed to the Privy Council and then hold certain public offices.

Constitution and Parliamentary

There are in Canada sixteen Departments of State, presided over by Ministers, viz., Justice, Finance, Agriculture, Secretary of State, External Affairs, Marine and Fisheries, Naval Service, Militia, Customs, Inland Revenue, Interior, Post Office, Public Works, Trade and Commerce, Customs, and Labour.

To the Prime Minister is assigned no particular place; and, in the past, various portfolios have been held by the several occupants of the office. The present Premier, the Right Hon. Sir Wilfrid Laurier, holds that of President of the Council.

The Minister of Justice is by virtue of his office Attorney-General of Canada, and is entrusted with practically the same powers and charged with the same duties, which belong to the office of Attorney-General in this country, so far as these are applicable to Canada. He is charged with the duty of seeing that the administration of Public Affairs is in accordance with law, and has the control or superintendence of all matters concerning the

administration of Justice in the Dominion falling within the jurisdiction of the Federal Government. He must advise upon Provincial legislation in case it has gone beyond the powers of the provinces, and he advises the Crown generally on all legal matters referred to him. He also has superintendence of Penitentiaries and the prison system generally.

The Department of Finance, under the control of the Minister of Finance, has the supervision and control of all matters connected with Financial Affairs and Public accounts, revenue and expenditure of the Dominion, excepting such matters as may be assigned to other Departments. He is a member of the Treasury Board, which is a Committee of the Privy Council on all matters above mentioned. The Department has to deal with Banks and with the issue of Dominion notes and the currency generally. The Minister of Finance is also Receiver-General, and it is provided that all public moneys, from whatever source of revenue derived, shall be paid to his credit as such.

The duties and powers of the Minister of Agriculture, extend, among other matters, to the administration of laws and Orders in Council, relating to the following matters, which are controlled by his Department. Agriculture ; Public Health and Quarantine, Arts and Manufactures ; The Census ; Patents, Copyright, etc. The Minister keeps a register of copyrights, in which entries are made under the Copyright Act. A census is taken in every tenth year, and the Department prepares all forms and instructions necessary for the taking of the same, and lays before Parliament abstracts and returns showing the results of the Census. The Experimental Farms, established in various parts of the Dominion, come under the control of the Minister. All matters respecting Infectious or Contagious Diseases affecting animals are dealt with in his Department.

The duties of the Secretary of State include the keeping of the State Correspondence, and the keeping of State records and papers. He is also the Registrar-General of Canada, and as such, registers all proclamations, commissions, letters patent, and other instruments and documents issued under the Great Seal, and all bonds, warrants of extradition, etc., etc. In 1909 a Department called the Department of External Affairs, was created by Statute. Over this Department it was provided that the Secretary of State for the time being should preside, and that he, as head of the department, should have the conduct of all official communications between the Government of Canada and the Government of any other country in connection with the external affairs of Canada. It was also provided that all matters relating to the foreign consular service in Canada should be transferred to it.

The Minister of Marine and Fisheries has the management and direction of this public Department under his control. He also presides over the newly-formed "Department of the Naval Service," and is called the Minister of the Naval Service. The former Department has the control among other things of matters relating to pilots, the construction and maintenance of lighthouses, lightships, etc., piers, wharves, steamboat inspection, registering and measurement of shipping, hydrographic surveys, deck and load lines, and the management, regulation and protection of sea-coast and inland fisheries except the fisheries protection service. The Minister of the Naval Service has the control and management of all naval affairs, including the construction, purchase, etc., of naval establishments and of ships and other vessels. The Fisheries Protection Service is also under his control.

The Minister of Militia and Defence is charged with and is responsible for the administration of Militia affairs,

and of the fortifications, ordnance, arms, armouries, stores, etc., belonging to Canada, including the initiative in all matters involving the expenditure of money.

The Department of Customs is presided over by the Minister of Customs. The Governor-General appoints a Commissioner of Customs. The department has control and management of the collection of the duties of Customs, and of matters incident thereto, and of the officers and servants employed in that service.

The Department presided over by the Minister of Inland Revenue has the control and management of the collection of stamp duties, and the preparation and issue of stamps and stamp paper, except postage stamps ; of internal taxes ; standard weights and measures, and the collection of bridge and ferry tolls and rents.

The Minister of the Interior has the management of the affairs of all Crown lands and all other public lands not specially under the control of other departments. All matters referring to the regulation and control of immigration, are also under the control of this Minister.

The Postmaster-General may, subject to the Acts in force, establish and close Post Offices, appoint and suspend Postmasters, make mail contracts, and promulgate regulations with regard to postal matters, make orders and regulations respecting the money-order system ; grant licences for the sale of stamps, etc., etc.

The Minister of Public Works has the management, charge and direction of dams, construction and repair of harbours, piers and works for improving navigation, and vessels, tools, implements and machinery for the improvement of navigation. He also has control of the slides, dams and other works used for the transmission of timber, and the collection of fees incident thereto, roads and bridges, public buildings, and telegraph lines. He has under his direction all matters appertaining to the

maintenance and repair of Government buildings at Ottawa, and all other property belonging to Canada acquired, constructed, enlarged, etc., at the expense of Canada, or for the acquisition, construction, etc., of which any public money is voted and appropriated by Parliament, except works for which money has been appropriated as a subsidy only.

The duties and powers of the Minister of Trade and Commerce extend to the execution of laws enacted by the Parliament of Canada and orders of the Governor in Council, relating to such matters connected with trade and commerce generally not by law assigned to any other Department of the Government of Canada. The administration and execution of the following Acts are under his management and direction : The Cullers Act ; The Inspection and Sale Act, with the exception of certain parts ; and the Manitoba Grain Act.

The Minister of Labour is charged with the administration of the Conciliation and Labour Act and the Industrial Disputes Investigation Act, 1907, and with such other duties as may be assigned to him by the Governor in Council.

Since the Cabinet depends for its existence upon the approval of the Lower House, the major part of the ministry is naturally drawn from the Legislative Assembly though always a small number of positions is given to members of the Senate. These never number more than four. The head of the Cabinet, as in England, is known as the Premier (because when the Governor-General wishes a new Cabinet to be formed he is the *first man* called upon to form it), and the Governor-General appoints his nominees. Every Minister has the right to communicate direct with the Governor-General on all departmental matters, but with general communications between the Cabinet and the Governor-General the Premier is the medium of communication.

THE CABINET

The Cabinet, as in England, is bound by certain conventions: conventions not written down in the British North America Act or by any law other than parliamentary usage. On the death or resignation of the Premier the Cabinet is dissolved, and ministers hold office only until a new Premier is called. He may either ask them to continue in office, or accept their resignations, which are automatically offered. In the case of an adverse vote in the Lower House, the Premier must either resign or convince the Governor-General that a dissolution is necessary, on the grounds that the adverse vote does not represent the wishes of the people. Proclamations resuming or dissolving parliament, writs of election, etc., are signed by the Governor-General, and countersigned by the Minister, or other proper officer.

CHAPTER II

The Parliament of Canada

As in the case of Great Britain, the Parliament is composed of two houses, the upper house, or Senate, and the lower house or House of Commons. Two houses always formed part of the provincial legislature from 1791 to 1867, when Ontario decided to confine her house of legislature to an elected assembly under the Lieutenant-Governor. In 1867 under the British North America Act the maritime provinces, Ontario and Quebec, were each given an equal representation of twenty-four Senators. Since that time the entrance of other provinces into the Federation has increased the number of Senators to seventy-eight. The maximum allowed by law is eighty-four in all, including the constitutional provision allowing an addition of three or six new members to meet the case of a deadlock in political matters.

Senators are appointed by the Governor-General on the recommendation of his Privy Council. They must be not less than thirty years of age and possess real or personal property of not less than 4,000 dollars beyond their liabilities. Subject to these provisions the Senator holds his place for life, though he may resign his place in the Senate. If any question should arise with regard to the qualifications of the Senator the matter is heard and determined by the Senate itself.

Fifteen Senators, including the Speaker, constitute a quorum, and questions before the Senate are decided by a majority of voices, the Speaker in all cases having a vote, and if the voices are equal the decision is deemed to be in the negative.

The Speaker, or President of the House is appointed



PARLIAMENTARY BUILDINGS, OTTAWA

by the Governor-General in council. Like the British House of Lords the Senate possesses the same powers of introducing bills as the House of Commons, except with regard to money bills, measures imposing taxes, or spending public money received from the people.

All such measures originate in the Lower House and the Senate cannot amend them. Those Senators appointed for the province of Quebec must live in the divisions which they represent, or have their property qualifications therein, but in the case of other provinces it is only necessary the members should reside within their province. Bankruptcy, absence during two sessions, crime, or naturalisation in another country debars a Senator from the privileges of the House.

The House of Commons, as the direct representatives of the people, is naturally the ruling house of Canada : the Ministry is largely chosen from it, and without its support and confidence no ministry can exist.

For some years after 1867 the number of members amounted to 215, but in 1903 (after the census of 1901) the representation was arranged as follows :—

Ontario	86
Quebec	65
New Brunswick	13
Nova Scotia	18
Prince Edward Island	4
Manitoba	10
British Columbia	7
North-West Territories	10
Yukon Territory	1
	214

After every decennial census (the last was taken in 1901) the representation is readjusted, in accordance with the movement of the population. The province of Quebec must always have a fixed number of sixty-five members,

15—(2137)

and each of the other provinces is assigned such a number of members as to bear the same proportion to its population as the number sixty-five bears to the population of Quebec.

In the terms of Union it is provided that British Columbia shall not have her representatives reduced below six.

The Dominion Franchise

The Dominion Franchise is a most liberal measure, which provides, generally speaking, that all male citizens over the age of twenty-one years, who are not, by Act or otherwise disqualified, are entitled to vote. The qualifications necessary to entitle any person to vote in a Dominion election are, except as otherwise provided, those established by the laws of each province as necessary to entitle persons to vote in the provinces at a provincial election. But, as these laws differ somewhat in detail, it may be well to set out the qualifications imposed in some of them :—

In the province of Ontario every man who is over the age of twenty-one years, or will be of that age within thirty days after the day fixed for hearing appeals to the judge under the Provincial Act ; is a British subject by birth or naturalisation ; is not disqualified under the Act or otherwise by law prohibited from voting ; has resided in Canada for the nine months preceding the day for commencing to prepare the list on which he is to be entered ; is a resident of and domiciled in the territory for which the list is being prepared, is entitled to be entered on the voters' list.

In Quebec it is provided that the following persons, and no others, being males, and who at the time of the deposit of the list are of the full age of twenty-one years, subjects of His Majesty by birth or naturalisation and not otherwise legally disqualified, shall be entered on the list of electors :—

1. Owners or occupants of immovable property valued at a sum of at least three hundred dollars in real value in any city municipality entitled to return one or more members to the legislative Assembly, or two hundred dollars in real value or twenty dollars in annual value in any other municipality.

2. Tenants paying an annual rent for immovable property of at least thirty dollars in any city municipality entitled to return one or more members to the legislative Assembly, or at least twenty dollars in any other municipality, provided that the real value of such immovable property be at least 300 dollars in such city municipality or 200 dollars in any other municipality.

3. Teachers engaged in an institution under the control of School Commissioners or Trustees.

4. Retired farmers or proprietors, commonly known as *rentiers* (annuitants), who, in virtue of a deed of gift, sale or otherwise, receive a rent in money or kind of a value of at least 100 dollars, including lodging and other things appreciable in money.

5. Farmers' sons who have been working for at least one year on their father's farm, if such farm is of sufficient value, if divided between the father and sons as co-proprietors, to qualify them as electors under this chapter, or who have been working on their mother's farm for the same time. If there are more sons than one they shall all be entered in so far as the value of the property permits, the eldest being entered first. These provisions equally apply in cases in which the father or the mother have farms in several municipalities.

6. Proprietors' sons residing with their father or mother, subject to the conditions set forth in paragraph 5, *mutatis mutandis*.

7. Navigators and fishermen residing in the electoral district and owners or occupants of real property and owners of boats, nets, fishing gear and tackle, within

any such electoral district, or of a share or shares in a registered ship, which together are of the actual value of at least 150 dollars.

8. Farmers' sons shall exercise the above rights, even if the father or mother is only tenant or occupant of the farm.

9. Temporary absence from the farm or establishment of his father or mother, during six months of the year in all, or absence as a "student" shall not deprive the son of the exercise of the electoral franchise.

10. Priests, Rectors, Vicaires, Missionaries and Ministers of any religious denomination, domiciled for upwards of two months in the place for which the list is made.

11. Persons who are domiciled in the electoral district and who draw from their salary or wages, in money or in kind, or from some business, employment, trade or profession, a revenue of at least 300 dollars per annum, or persons who work by the piece in factories and who derive at least 300 dollars per annum therefrom.

In Manitoba it is provided that every person shall be entitled to be registered as an elector, and to vote at elections of members if such person is of the male sex; is of the full age of twenty-one years; is a British subject by birth or naturalisation; and has resided within the province for one year and within the electoral division for which he makes application to be registered as an elector, for the three months next preceding the date of the commencement of a registration of the electors.

In the provinces of Saskatchewan and Alberta every male person, unless disqualified, shall be qualified to vote for the election of a member, who, not being an Indian, is a British subject and has resided in either of the said provinces for at least twelve months, and in the electoral district where he seeks to vote, for at least three months, immediately preceding the issue of the writ of election.

In British Columbia, every male of the full age of twenty-one years, not being disqualified, being entitled within the province to the privileges of a natural born British subject, and being able to read the Act or any portion thereof on being required by the Registrar to do so, having resided in the province for six months and in the electoral district for which he claims to vote for one month immediately previous to sending in his claim, and being duly registered as an elector, shall be entitled to vote at any election. It is enacted that no Chinaman, Japanese or Indian shall have his name placed on the Register of Voters for any Electoral District, or be entitled to vote at any election.

The effect of this law is to give one member to every 22,477 persons throughout the Dominion. Membership of the House of Commons, as in England, is dependent upon property qualifications, and the only stipulation is that a member should be a British subject by birth or naturalisation. The member need not reside in the district for which he is elected. Bankruptcy or conviction of a felony carries with it expulsion from the House, as is also the case with insanity.

In each house the Clerk or Chief permanent officer is appointed by the Governor-General in Council.

Another survival of English House of Commons traditions is the Sergeant-at-Arms who is Chief executive officer of the House and carries the Mace before the Speaker on official occasions when parliament is sitting. There is, too, the "gentleman-usher of the black rod," who, as in England, summons the Commons to attend the Governor-General in the Senate Chamber at the beginning and end of parliament.

Judges of superior or county courts are debarred from voting; revising or returning officers, election clerks, agents, etc., who are paid for their services may not vote in the district for which they are engaged. Deputy

returning officers, poll clerks, and unpaid agents may vote. The Returning Officer in the case of a tie is entitled to vote as in England. Electors may vote in more than one district when entitled to do so, but since general elections are held on the same day throughout Canada the plural voter is for that as well as other reasons—distances, for instance—not at so great an advantage as in England. The only exception to the case of simultaneous elections is made in a few of the remoter districts where returning officers fix a day which will allow the electors the full opportunity of recording their votes.

When the Cabinet decides that a general election is necessary the Premier informs the Governor-General, and the latter agreeing, parliament is dissolved by proclamation in the name of the King. A further proclamation authorises the issue of writs and fixes the day for the nomination of candidates. Any twenty-five electors may nominate a candidate for the House of Commons by filling up a form required by law and depositing 200 dollars with the Returning Officer, which is forfeited unless the candidate receives half the number of votes obtained by the man elected. Elections, except in the remote districts, take place on the seventh day after nomination day ; all votes are by ballot and entirely secret.

The method of voting is practically the same as that in England, the name of the candidates being printed on the election papers, and the elector placing a cross against the one for whom he wishes to vote. Ballot papers are put into locked boxes and opened only by the Returning Officer. Polling takes place by law from nine in the morning until five in the afternoon of election day, and six days afterwards the Returning Officer must send in his report to the clerk of the Crown in Chancery at Ottawa, and the names of the members elected are published in the *Canada Gazette* which is the equivalent of the *London Gazette*.

Before parliament can meet a further proclamation of the Governor-General is necessary. By the Act of 1867 there must be a Session of Parliament once at least every twelve months, that is to say, that there must not be a gap of more than twelve months between the close of one session and the beginning of another. Parliament is elected for five years, but the Crown may dissolve it at any time when it is considered expedient to appeal to the people; this power naturally is never exercised except on the advice of the Cabinet.

In the case of a by-election, the Speaker of the House of Commons or other authority issues a warrant to the clerk of the Crown in Chancery instructing him to issue the writ for an election; this writ is given to a Returning Officer appointed by the Governor-General in council and thereafter the polling proceeds as in the case of a general election.

All Senators and members of the House of Commons are required to take an oath of allegiance before they can sit; the oath runs thus:—"I——do swear that I will be faithful and bear true allegiance to His Majesty King George V."

The laws for the prevention of bribery and corruption are very strict, and any infraction provides a case for the unseating of a member, equally where the law is broken by design or purely through carelessness. If a candidate be proved to be personally guilty of bribery or corruption he may be disqualified from sitting in the House of Commons, or voting, or holding any office for seven years, and the voter proved to have taken bribes may be also very severely punished. Since 1874 the House of Commons has handed to the provincial Courts its powers for the trial of disputed elections, and in so doing removed what must have remained a great temptation for the committees of the House of Commons to be influenced by political feeling. The presence of at least

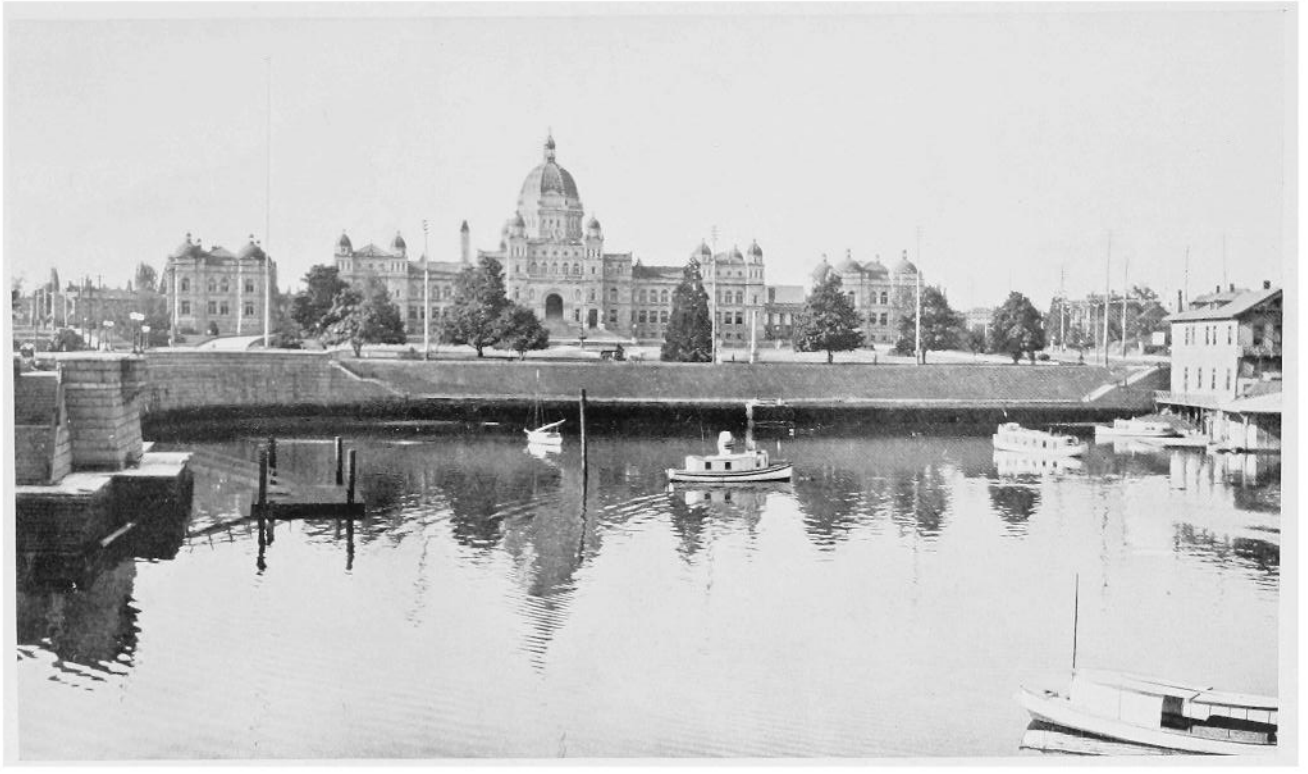
twenty members of the House of Commons is necessary to constitute a quorum, for the exercise of its powers and for all purposes the Speaker may be reckoned as a member. Questions arising in the House are decided by a majority of voices.

Provincial Legislatures

For legislative purposes Canada is divided into the provinces of Nova Scotia, New Brunswick, Prince Edward Island, Quebec, Ontario Manitoba, Saskatchewan, Alberta and British Columbia, each of which enjoys by the British North America Act considerable powers of local government.

The work of the provinces is carried on by a Lieutenant-Governor appointed by the Governor-General in council; an Advisory Council, which is responsible to the Legislature; and a Legislature consisting in all cases of elected representatives, assisted in the case of two provinces by an upper chamber appointed by the Crown. There is a complete system of local self-government in every municipality of a province to provide for the management of schools, etc., and a municipal system of councils composed of Mayors, Wardens, Reeves and Councillors to manage the local requirements of the cities, towns, counties, and parishes of every province.

The judiciary consists of several courts in each province, presided over by judges who are appointed and paid by the Dominion Government. Each provincial government has its own Civil Service, with officers appointed by it. The pernicious system of removing Civil Servants with a change of government does not exist in Canada, and every civil servant holds office during good behaviour. The Lieutenant-Governor holds office for five years. He can be dismissed for some definite cause but the reason for his dismissal must be communicated to Parliament.



LEGISLATIVE BUILDINGS, VICTORIA, BRITISH COLUMBIA

He is thus the officer of the Dominion Government as well as being the head of the Provincial Government; and within his constitutional limits he possesses all the authority of a Governor-General.

Under the British North America Act he it is who appoints the legislative council. He can summon, prorogue, and dissolve the legislature, and in fact perform any executive acts by the advice of his Council which may be necessary for governing the Province.

The Advisory, or Executive Council, varies in number from five members in British Columbia to eight members in Ontario. Each member holds usually some provincial office as head of a department. In some cases the titles of these heads of departments vary, but there are certain officers who are to be found in all. The Attorney-General is the law adviser of the provincial government, and generally oversees the administration of justice in the province. There is also a Commissioner of Crown lands whose duty it is to supervise the sale of public lands or lease areas for timber cutting, or supervise mining lands, and since lands and forests belong, with the exception of Manitoba, Saskatchewan and Alberta, to the provincial governments, this is a most important office.

The provincial Treasurer administers the financial affairs of the province, with a provincial Secretary to carry on the correspondence of the government and keep in touch with the Dominion government, register Commissions under the provincial seal, and so forth. In Nova Scotia and British Columbia, where the mines are of great value, there is a special department for their management. In the purely agricultural provinces there is a Minister who supervises particularly the agricultural interests and encourages every movement which has for its object the improvement of agriculture or dairying.

In Ontario, where is situated the University of Toronto,

education is of sufficient importance to warrant the existence of a Minister of Education as elsewhere.

The provincial legislature consists of a Lieutenant-Governor and a legislative assembly, except in the case of Quebec and Nova Scotia, which have in addition a Legislative Council. Prince Edward Island has another exception, which will be dealt with later. The Legislative assemblies are elected by the people of the provinces on a very full franchise. In Ontario, New Brunswick, Manitoba, and British Columbia, manhood suffrage is the rule, and this practically applies to Prince Edward Island. No property qualification is required, but voters must be British born or naturalised British subjects, and male citizens of the age of twenty-one years or over. The method of conducting elections is practically the same as that described in our chapter on the Dominion Parliament.

The laws governing the conduct of provincial business, and preserving the integrity of the Dominion Parliaments is modelled upon the lines of that relating to the Dominion Government.

In the case of disputed elections, provincial judges try the case, and the result has been found to be perfectly satisfactory. The life of a provincial legislature which is within its own jurisdiction is four years, or in Quebec five years, unless it is dissolved by the Lieutenant-Governor. In the popular assemblies the Speaker is elected by the majority, or in the case of an Upper Chamber is appointed by the Crown. The Lieutenant-Governor opens, prorogues, and dissolves the assembly.

Members of the Council hold their position for life, unless they are convicted of a crime, or become bankrupt, or are otherwise disqualified by law. The Quebec Council consists of twenty-four members, and that of Nova Scotia of twenty. Their position is exactly analogous to that of the Senate of the Dominion. They can initiate

or amend all classes of bills except money or taxation, and though they may reject such bills as a whole they have no power to amend them.

Sessional Indemnity

The payment of Members of the Federal Parliament has been in vogue ever since Confederation. It has been found in practice to work well; while not acting as a deterrent to men in a good financial position entering Parliament, it has enabled many, who would otherwise have been unable to do so, to use their talents in aiding in the government of their country. Changes have, from time to time, been made in the legislation on the subject, and a short summary of the parent Act, and the amendments thereto, may prove of interest :—

An Act relating to the indemnity to members, and to the salaries of the Speakers of the House of Commons and of the Senate, was passed in the first session of Parliament after Confederation. This measure provided that the members of both Houses should receive remuneration at the rate of six dollars per day, if the session did not extend beyond thirty days; if it extended beyond thirty days, an allowance of 600 dollars was made, and no more. In the case of non-attendance, both in this Act and subsequent amendments, deductions are provided for. To the Speakers of the House of Commons and the Senate, a salary of 3,200 dollars per annum was made payable. This Act was amended in the session of 1873, when it was laid down that the rate of the indemnity should be ten dollars for each day's attendance when the session did not exceed thirty days, and, if this period was exceeded, a sessional allowance of 1,000 dollars was to be paid. The salaries of the Speakers of the House of Commons and the Senate were, by this Act, increased to 4,000 dollars per annum. In 1901 another amendment came into effect. The daily rate of remuneration

remained the same, viz., ten dollars for each day of attendance; but the amount payable to each member, in the event of the session extending beyond thirty days, was increased to 1,500 dollars. The Act was again amended in 1905, when the daily allowance was increased to twenty dollars for each day's attendance to thirty days; and, in the event of the session extending over thirty-one days, a sessional indemnity of 2,500 dollars, and no more, was payable. In addition to the daily allowance or the sessional indemnity, it is provided that there shall, for each session of Parliament, be allowed to Members of both Houses their moving or transportation expenses, and reasonable living expenses while on the journey between their places of residence and Ottawa, once each way. Members residing at a greater distance than 400 miles from Ottawa are allowed to commute their travelling and living allowance, receiving in lieu, the sum of fifteen dollars per day.

A novel feature in this measure was contained in a clause which provides that, to the member occupying the recognised position of leader of the Opposition in the House of Commons, there shall be payable an additional sessional allowance of 7,000 dollars.

A sessional indemnity is paid by all the Provinces to the members of their several legislatures. In Ontario the allowance is ten dollars a day if the session does not extend beyond thirty days, and if the session does extend beyond thirty days, then there shall be payable to each member attending a sessional allowance of such sum as may be appropriated for the purpose. In Quebec for every session which extends beyond thirty days there is payable to each Legislative Councillor and to each member of the Legislature an indemnity of 1,500 dollars and no more. In Manitoba the allowance is fixed at 400 dollars per session; and in British Columbia there is an allowance of 600 dollars.

The following are the powers conferred by the B. N. A. Act upon the Dominion Government :—

1. The public debt and property.
2. The regulation of trade and commerce.
3. The raising of money by any mode or system of taxation.
4. The borrowing of money on the public credit.
5. Postal service.
6. The census and statistics.
7. Militia, military and naval service and defence.
8. The fixing of, and providing for the salaries and allowances of civil and other officers of the Government of Canada.
9. Beacons, buoys, lighthouses and Sable Island.
10. Navigation and shipping.
11. Quarantine and the establishment and maintenance of marine hospitals.
12. Sea coast and inland fisheries.
13. Ferries between a province and any British or foreign country, or between two provinces.
14. Currency and coinage.
15. Banking, and the incorporation of banks and paper money.
16. Savings banks.
17. Weights and measures.
18. Bills of exchange and promissory notes.
19. Interest.
20. Legal tender.
21. Bankruptcy and insolvency.
22. Patents of invention and discovery.
23. Copyrights.
24. Indians and land reserved for the Indians.
25. Naturalisation and aliens.
26. Marriage and divorce.
27. The criminal law, except the constitution of the

courts of criminal jurisdiction, but including the procedure in criminal matters.

28. The establishment, maintenance and management of penitentiaries.

29. Such classes of subjects as are expressly excepted in the enumeration of the classes of subject by this Act assigned exclusively to the legislatures of the provinces.

The exclusive powers of Provincial Legislatures are as follows :—

1. The amendment from time to time, notwithstanding anything in this Act, of the constitution of the province, except as regards the office of the Lieutenant-Governor.

2. Direct taxation within the province for the raising of a revenue for provincial purposes.

3. The borrowing of money on the sole credit of the province.

4. The establishment and tenure of provincial offices, and the appointment of provincial officials.

5. The management and sale of the public lands belonging to the province, and of the timber and wood thereon.

6. The establishment, maintenance and management of public and reformatory prisons in and for the province.

7. The establishment, maintenance and management of hospitals, asylums, charities, and eleemosynary institutions in and for the province, other than marine hospitals.

8. Municipal institutions in the province.

9. Shop, saloon, tavern, auctioneer, and other licences, for the raising of a revenue for provincial, local, or municipal purposes.

10. Local works and undertakings, other than such as are of the following classes :—

(*a*) Lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the province with any other or others of the provinces, or extending beyond the limits of the province.

(*b*) Lines of steamships between the province and any British or foreign country.

(*c*) Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

11. The incorporation of companies with provincial objects.

12. Solemnization of marriage in the province.

13. Property and civil rights in the province.

14. The administration of justice in the province, including the constitution, maintenance and organisation of provincial courts both of civil and of criminal jurisdiction, and including procedure in civil matters in those courts.

15. The imposition of punishment by fine, penalty or imprisonment for enforcing any law of the province made in relation to any matter coming within any of the classes of subjects enumerated in this section.

16. Generally all matters of a merely local or private nature in the province.

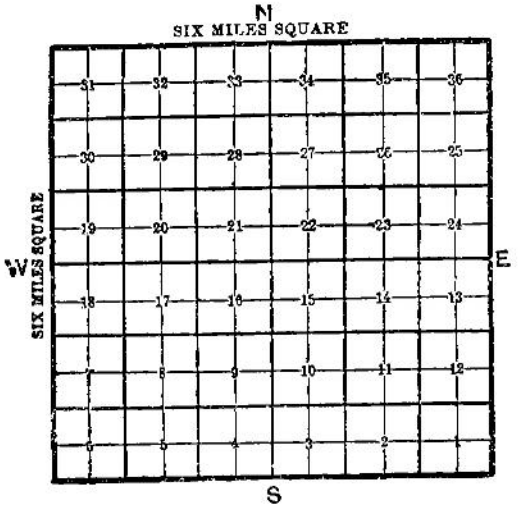
Public Lands

The Public Lands in Canada are those which are administered by the Dominion Government and are called "Dominion Lands" and those which are at the disposal of the several Provincial Governments and are known as "Crown Lands."

Dominion Lands are situated in Western Canada and what is known as the Railway Belt in British Columbia, and are dealt with under the provisions of the Dominion Lands Act. The system of survey which has been adopted is to lay out the lands in quadrilateral townships, each containing thirty-six sections of about a mile square or 640 acres; the sections are situated and numbered as shown in the diagram given on the next page.

The Townships are numbered in regular order northerly from the International boundary or 49th parallel of latitude and lie in Ranges numbered, in Manitoba, east and west, from a meridian line called the Principal Meridian, drawn northerly from the 49th parallel, and in Saskatchewan and Alberta, in Ranges numbered

PLAN OF TOWNSHIP



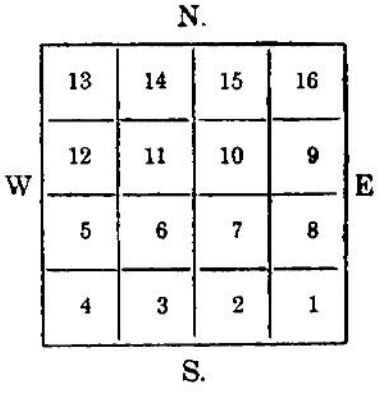
westerly from other initial meridians styled the Second, Third and Fourth Meridian and so on, according to their order westward from the Principal Meridian.

Each section (640 acres) in a township is sub-divided into half-sections (320 acres) and quarter-sections of 160 acres. A quarter-section is again divided to quarter-sections called "legal sub-divisions." The thirty-six sections in a township are numbered from 1 to 36.

All surveyed agricultural Dominion lands (excepting School Lands—sections 11 and 29, and Hudson's Bay Company's Lands—section 8 and three-quarters and sometimes the whole of 26) are open to entry for homestead purposes by settlers if not disposed of and not reserved or occupied. Islands which are Dominion lands

in Manitoba, Saskatchewan and Alberta are, however, reserved from entry and an entry does not include mineral or water rights. Moreover a quarter-section containing more than twenty-five acres of merchantable timber is not open to entry.

PLAN OF SUB-DIVISION



Under the Homestead regulations every person who is the sole head of a family and every male who has attained the age of eighteen and is a British subject, or declares his intention to become one, is entitled to obtain entry for a homestead to the extent of one quarter-section (160 acres), on payment of an entry fee of ten dollars. A widow having minor children of her own dependent on her for support may make entry as the sole head of a family, but a widow who is remarried thereby ceases to be the sole head of a family, and is not eligible to make entry. Application may be either at the land agency for the district in which the land is situate, or at the office of a sub-agent authorised to transact business in the district, and must be made by the applicant in person, although in certain cases application by proxy is permitted. The entry entitles the holder to occupy and cultivate the land to the exclusion of any other person, the title remaining in the Crown until a patent

16—(2137)

is issued. The conditions to be complied with before a patent is issued comprise :—

(1) At least six months' residence in each year during a term of three years.

(2) The value of the entrant's house upon the homestead shall be at least 300 dollars. Residence means actual and *bona fide* residence in a dwelling-house by the entrant in person upon the homestead, or in accordance with the vicinity provisions of the Act. A homesteader may, if he so desires, perform the required residence duties by living on a farm owned solely by him, not less than eighty acres in extent, in the vicinity of his homestead. The term "vicinity" means not more than nine miles in a direct line. If a father, mother, son, daughter, brother or sister of a homesteader has permanent residence on a farm owned solely by him or her, not less than eighty acres in extent, in the vicinity of the homestead, such homesteader may perform his own residence duties by living with such relative as the case may be.

The practice of the Canadian Department of the Interior which administers the Act, has been to require a settler residing on his homestead to bring a total of at least fifteen acres under cultivation. A settler performing residence duties by living in the vicinity of his homestead, either with parents, or with son, daughter, brother or sister, or on land owned by him must bring a total of at least thirty acres of the homestead under cultivation, and a reasonable proportion of the cultivation must in all cases be done in each year. All entries made prior to June 1st, 1908, are governed by this practice, but the following change has come into force since that date :—

A homesteader who resides on his homestead is required to break a total of at least thirty acres of the homestead (of which twenty must be cropped) before applying for his patent, and a reasonable proportion of the cultivation



HAZELTON, BRITISH COLUMBIA

duties must be done during each year. If the duties are performed under the regulations permitting residence in the vicinity, the total required to be broken will be at least fifty acres of which thirty must be cropped.

A homesteader is allowed six months from the date of entry in which to perfect the same by taking possession of the land and beginning his residence duties in connection therewith.

In the event of the death of an entrant for a homestead before the completion of the requirements for the obtaining of letters patent therefor, his legal representative shall only be required to fulfil the conditions as to the erection of a habitable house and as to cultivation in order to entitle him to obtain letters patent, after the expiration of three years from the date of the entry for the homestead; or the legal representative may assign the homestead to a person eligible to obtain a homestead entry; and the assignee shall, after

(1) the expiration of three years from the date of entry for the homestead;

(2) holding the homestead for his own exclusive use and benefit from the date of the assignment, and

(3) completing the residence and cultivation requirements in the same manner as the person who made the entry would have been required to complete them, be entitled to letters patent for homestead. The assignee does not thereby exhaust his homestead right.

If a homesteader dies before perfecting entry by commencement of residence within six months, the entry becomes liable to cancellation. The Department may, however, on application, extend the time for the performance of the duties if the legal representatives have taken out letters of administration or have them in course of preparation with the intention of performing the required duties; but not in the case of a settler who has obtained a homestead entry by proxy unless he had personally

appeared at the Agency or commenced actual residence on the homestead.

In the event of any person who obtained entry for a homestead becoming insane or mentally incapable, and, by reason of such insanity or mental incapacity, unable to complete the requirements necessary for the obtaining of letters patent therefor, the guardian or committee of the said person, or any person who, in the event of his death, would be entitled as his legal representative to do so, shall only be required to fulfil the conditions as to the erection of a habitable house, and as to cultivation before the issue of letters patent; but the letters patent shall not issue until the expiration of three years from the date of entry.

If a homesteader becomes insane or mentally incapable before perfecting entry by commencement of residence within six months, the entry becomes liable to cancellation. The Department may, however, on application, extend the time for the performance of duties by the guardian or legal representative, but not in the case of a proxy entrant unless he had personally appeared at the Agency or commenced actual residence on the homestead.

In addition to the privilege of homesteading which is granted, under the conditions stated, to settlers, Purchased Homesteads may be acquired under the conditions provided in the Dominion Lands Act within the area bounded on the south by the International Boundary line, on the north by the north line of the 44th township, on the east by the line of the Minneapolis, St. Paul and Sault Ste Marie Railway from the International boundary to Canadian Pacific Railway main line to the 3rd Principal Meridian, then by the 3rd Principal Meridian to the north line of the 44th township; on the east by the west line of Range 26, west of the fourth Meridian, and from the International Boundary to the Calgary and Edmonton Railway line, then by the Calgary and

Edmonton Railway line to the north line of the 44th township.

Pre-emptions may be acquired within the same area except that, in townships in which any railway company has taken eight sections as part of its land grant, no pre-emption may be taken.

A person is eligible to pre-empt any available quarter-section lying alongside the homestead, or separated therefrom only by a road allowance, on payment of a fee of ten dollars—if he obtains entry for a homestead under the Act of 1908 and continues to own and reside upon the land included therein, and does not hold, or has not assigned his right to, or has not received patent for a pre-emption under that or any previous Act; or has obtained entry for a homestead under the provisions of Chapter 55 of the Revised Statutes, 1906, or any previous Act in that behalf, and continues to own the land included therein, and does not hold, or has not assigned his right to, or has not received patent for a pre-emption under the present or any previous Act.

The homesteader becomes entitled to patent for his pre-emption by—

(1) Residing for six months in each of six years on either his homestead or pre-emption. If the residence duties for the homestead and pre-emption are performed upon the pre-emption the entrant will not become entitled to a patent for his homestead until he becomes entitled to a patent for his pre-emption.

(2) Erecting a dwelling-house on his homestead or pre-emption.

In the case of entries granted on or after February 1st, 1909, it is required that the house shall be worth at least 300 dollars before application for patent is made.

(3) Cultivating eighty acres of either the homestead or pre-emption, or both, a reasonable proportion of which must be done each year.

(4) Paying for the pre-emption at the rate of three dollars an acre. One-third of the purchase money must be paid three years after date of entry, and the balance in five equal instalments. Interest at five per cent. is payable at the end of each year from the date of the pre-emption entry.

A patent can be claimed at any time after completion of the duties on paying the price in full and unless claimed within eight years the pre-emption may be cancelled.

The provision of the Dominion Lands Act permitting residence on land in the vicinity of the homestead does not apply to pre-emption.

A homesteader in a township not available for pre-emption may apply for a pre-emption entry on an adjoining township, the lands of which are available for pre-emption entry, if his homestead joins, as provided, the land for which he desires to make such pre-emption entry.

If application for pre-emption entry is made for a quarter-section of land lying within a land district other than the one in which the applicant's homestead is situated, the Agent of the district in which the pre-emption is situated shall receive the application, and file the same with such evidence as the applicant may be in a position to offer, and he shall withhold the issue of the receipt for entry until he has obtained from the Agent of the district in which the applicant's homestead is situated, satisfactory proof that the applicant is the entrant for the land so claimed for the homestead, and that the entry is in good standing so far as his records show.

There is also, under the Dominion Lands Act, provision for Purchased Homesteads which may be acquired on any available lands on either odd or even numbered sections south of township 45, east of the Calgary and Edmonton Railway and the west line of Range 26, and west of the Third Meridian and the " Soo " Railway line.

Anyone is eligible to obtain entry as a Purchased Homestead any available quarter-section open for entry,

on payment of a fee of ten dollars, who holds a homestead entry under the provisions of the Dominion Lands Act, 1908, or under any previous Act in that behalf, but owing to the absence of available land adjoining his homestead is prevented from exercising his right of pre-emption entry ; or has obtained entry for a homestead for which he has received or become entitled to letters patent or has otherwise exhausted his homestead right, but has not received entry or patent for a pre-emption or assigned his right thereto, and may, after the issue of patent for his homestead, or upon completing the requirements requisite to obtaining letters patent therefor to the satisfaction of the Agent of Dominion Lands for the district, as provided by the Act, or by regulation or order made thereunder, obtain entry as a Purchased Homestead for any available quarter section open for entry on payment of a fee of ten dollars.

A widow who has secured homestead entry as the sole head of a family and has afterwards remarried is not eligible to make a Purchased Homestead entry. No person who has received a patent for a Purchased Homestead may receive entry for another. The applicant for entry for a Purchased Homestead must make a statutory declaration as to his previous Homestead right and as to his present right to a Purchased Homestead on the form provided. If the applicant for a Purchased Homestead has not received patent for his Free Homestead, the recommendation by the Land Agent of his application for patent will be considered sufficient evidence of completion of his duties on his Free Homestead to warrant his entry for a Purchased Homestead. An entrant for Purchased Homestead before the issue of patent for his Free Homestead who fails to secure patent for his Free Homestead, shall thereby forfeit his entry for a Purchased Homestead. Entry for a Purchased Homestead cannot be made by proxy. A person whose

application for patent has been recommended by the Agent may be allowed to enter for a Purchased Homestead, although there may be land alongside his Homestead available for pre-emption entry. But if he so elects to enter for a Purchased Homestead he shall not, unless such entry is cancelled, be given entry for a pre-emption.

The Homestead purchaser becomes entitled to patent by—

(1) Residing for six months in each of three years upon the Purchased Homestead.

(2) Erecting upon it a habitable house of a value of at least 300 dollars.

(3) Cultivating fifty acres of the land, a reasonable proportion of which must be done in each of three years, during two of which the breaking must be in crop.

(4) Paying for it at the rate of three dollars an acre.

If the entrant for a Purchased Homestead resides upon his own farm of not less than eighty acres within nine miles of the Purchased Homestead, exclusive of the width of road allowance crossed in the measurement, residence upon such farm is accepted as residence upon his Purchased Homestead. Residence with relatives in the vicinity is not allowed.

Payment must be made, one-third at the date of entry and the balance in five equal annual instalments with interest at five per cent. from the date of entry ; but payment may be made in full at any time after completion of the duties and patent demanded. Default in payment of interest or of instalments when due renders the Purchased Homestead liable to cancellation. If patent is not applied for within five years from date of entry, the entry may be cancelled. If an entrant for a Purchased Homestead fails in any year to fulfil the requirements of the Act in respect thereto, the Minister may cancel the entry and in his discretion cause to be refunded any

moneys paid on account thereof, but no refunds can be made before six months have elapsed from the date of entry. Refunds of interest or of entry fees cannot be made.

Volunteers domiciled in Canada at the time of enlistment, who served with the British forces in South Africa during 1899 to 1902, or who arrived there, but owing to the close of the war, were not on active service, are entitled to a land grant of two adjoining sections of Dominion lands available for homestead entry in Western Canada subject to certain conditions. Enlisted female nurses have the same rights as volunteers. The warrants in favour of those entitled to such grants of land are issued by the Department of Militia and Defence and forwarded for record purposes to the Department of the Interior from which quarter the grantees obtain them to enable them to make entry, the last date for which is December 31st, 1910. No entry or patent fees are chargeable, and the location of this scrip either by the volunteer or his substitute does not exhaust the right of homestead entry to which such volunteer, or his substitute may otherwise be entitled.

South African Volunteer scrip is not applicable on Dominion land within the Railway Belt in British Columbia.

In accordance with the terms of certain Acts of Parliament, scrip is issued in settlement of the rights of half-breeds who, because of their Indian blood, are permitted to share in the Indian right to lands in Manitoba, Saskatchewan and Alberta, which scrip may be either "money scrip" or "land scrip," as the half-breed may have chosen at the time of issue.

A half-breed who is entitled to scrip in his or her own right and who chooses to take money scrip receives scrip having a face value 240 dollars in payment to the Government for Government land.

When a half-breed entitled to scrip has died before the scrip was issued, the scrip to which he was entitled is divided amongst his heirs. Such scrip may therefore be for lesser amounts than 240 dollars.

Money scrip is accepted from bearer for payment for Government land. There is no registration of transfer of right in money scrip.

A half-breed who is entitled to scrip in his own right and who chooses to take "land scrip," receives two scrips, one for 160 acres and the other for eighty acres of land.

No settlement duties are required in securing title to land upon which half-breed land scrip has been applied, and patent may issue forthwith to the half-breed who has applied the land scrip or to the person to whom his right to the land has afterwards been assigned.

Under regulations which came into force in May, 1910, the petroleum and gas rights, which are the property of the Crown, in Manitoba, Saskatchewan, Alberta, the North-West Territories, the Yukon Territory, and within the tract containing three and one-half million acres of land acquired by the Dominion Government from the province of British Columbia, and referred to in sub-section (*b*) of Section 3 of the Dominion Lands Act, may be leased to applicants at a rental of twenty-five cents an acre for the first year, and for each subsequent year a rental at the rate of fifty cents an acre, payable yearly in advance. The term of the lease shall be twenty-one years, renewable for a further term of twenty-one years, provided the lessee can furnish evidence satisfactory to the Minister of the Interior to show that during the term of the lease he has complied fully with the conditions of such lease and with the provisions of the regulations in force from time to time during the currency of the lease.

The term School Lands refers to those sections (11 and 29) in every township throughout the extent of the Dominion Lands which are set apart as an endowment

in aid of education. These lands are administered by the Department of the Interior and are disposed of by sale at public auction, the sum realised being invested and the interest paid to the government of the province within which the lands are situated, towards the support of the schools.

Hudson's Bay lands, which are also mentioned above, are those sections reserved to the Hudson's Bay Company under the terms and conditions of surrender from the Company to the Crown, by which the former is entitled to one-twentieth of the land within the "fertile belt."

Public Lands in the Provinces

Ontario public lands are under the control of the Crown Lands Department of the provincial government at Toronto. Agricultural lands can be obtained from the Crown by actual settlers subject to certain settlement conditions. Free grants are offered of not more than 100 to 160 acres for a single man, and 160 to 200 acres for the head of a family, in the districts of what is known as New Ontario, comprising Nipissing, Algoma, Rainy River, etc. The settlement conditions include the erection of a habitable house at least 16 feet by 20 feet in size, and the clearing and cropping of fifteen acres, of which at least two are to be cleared and cultivated annually. There are slight differences in the different localities as to the time allowed for the payment of the purchase money and the number of years' residence required on the land before the issue of the patent.

In certain parts of the area in which the Free Grant system prevails, the head of a family locating is entitled in addition to a free grant of 160 acres to purchase an additional 100 acres, and while required to clear and cultivate fifteen acres within five years is not bound to erect a home or reside on the purchased lot where it is held in connection with a Free Grant.

In the province of Quebec, Crown Lands are purchasable from the provincial Crown Lands Department on easy terms. One-fifth of the purchase money is required to be paid down, and the remainder in four equal annual instalments bearing interest at six per cent. The purchaser must take possession within six months and to occupy the land within two years. He must also clear and crop ten acres in the course of four years, out of every hundred held by him and erect a habitable house at least 16 feet by 20 feet.

Crown Lands in Nova Scotia can be obtained for settlement for eighty cents per acre, but no grant can issue for a less sum than forty dollars. All minerals and ores are reserved to the Crown except limestone, plaster and building materials.

New Brunswick Crown Lands may be acquired to the extent of 100 acres by any settler over eighteen, not owning other land, who pays twenty dollars in cash, or does work on the public roads, etc., equal to ten dollars per annum for three years. A house 16 feet by 20 feet must be built within two years, and two acres of land cleared. Continuous residence of three years and the cultivation of ten acres in that time are required.

There are no Free Grant lands in Prince Edward Island, but such unimproved Crown and forest land as remains may be purchased at from twenty-five cents to one dollar per acre, on condition of erecting buildings valued at sixty-five dollars within two years and clearing and cultivating an acre yearly for the first eight years. Purchase money is payable by instalments.

As before stated, Crown land within twenty miles of the Canadian Pacific Railway in the province of British Columbia is administered by the Dominion Government, and may be purchased on terms which are fixed by Order in Council; the present price is five dollars an acre. These lands are also open for homestead purposes by

settlers on the same conditions as regards residence and cultivation as in Manitoba, Saskatchewan and Alberta.

There are, of course, in addition, the Crown Lands belonging to the province. Any British subject who is the head of a family, a widow, or a single man over eighteen, may acquire for agricultural purposes not more than 160 acres of unoccupied Crown Lands in any part of the province, by payment of a recording fee of two dollars. The purchase price is one dollar per acre payable by instalments. The settlement conditions are personal residence for two years and improvements of the value of two and a half dollars an acre.

CHAPTER III

Defence—Militia

To seek the origin of the Canadian militia one must go back to the days when Canada was peopled by trappers and fighters who lived in a constant state of warfare with Indians, and of necessity were able to use their arms in self-defence. The first military organisation took place in the province of Quebec in 1649, and in 1665 the militia was founded, and fought with the French Cavignon regiment against the Indians. Ten years later that great soldier diplomatist, Count Frontenac, re-organised the militia upon a basis which remained in force until 1760.

After the conquest of Canada by the British the Canadian militia was disbanded, but on the rising of Pontiac an urgent call was made which met with a most loyal response; the militia under its French officers was the backbone of the British attack and defence in that celebrated rising. In 1792, King George III authorised the raising of a regiment of militia in each province of Canada to be the permanent force and to carry the style of "Royal." Gradually the Royal regiment of Nova Scotia and the Royal New Brunswick regiment came into being, and two years later a regiment of Royal Canadian volunteers was recruited and officered by Canadians in Quebec and Upper Canada.

In the war of 1812 against the United States, England, with her anxieties at home, was obliged to delegate the defence of Canada largely to the Canadian militia, and the story of their exploits may be found in the victories of Fort George, Queenstown, Lundy's Lane, and a dozen other hard-fought battles. During the risings of 1837-8

the militia was again called upon to support the regular army. With the union of Upper and Lower Canada the strength of the militia was increased from time to time at the request of the Imperial Government, and a new military law passed in 1835, the establishment to be raised and paid for by the government, was a practical step towards the local management of Canadian military affairs.

By the Act of Confederation the administration passed from the provincial government to the central government, and since no great difference existed between the militia laws of the various provinces it was a comparatively easy task to reduce all the regiments to a uniform standard and group them in the form by means of a Dominion statute. A year later, in 1869, the militia of the Dominion became an army indeed. Since its last re-organisation in 1867 there has been little actual fighting for the militia to do, though in the form of police work it was put to a severe test in 1870 by the Fenian raid and the North-West rebellion, 1884, and by the Fenian raid of 1871. It is an interesting fact that the Prime Minister of Canada, Sir Wilfrid Laurier, earned a medal for services in the militia in the Fenian raid.

It has been consistently a policy of the Imperial Government to hand over to Canada the responsibility of maintaining her own military force and defending her frontiers ; and with this end in view the British garrisons were withdrawn about the year 1870 from all stations except Halifax and Esquimalt. The culmination of the policy was reached when on 18th January, 1906, the remaining garrisons of Halifax and Esquimalt were handed over to Canadian control. There were many who had not hesitated to predict that the withdrawal of the British garrisons would be detrimental to Canada. Experience, however, has proved directly the opposite.

In the Colonial Conference of 1902 a suggestion was

made by the British Secretary of State for War, Mr. Brodrick, that a Canadian force should be trained, with the idea that they were part of the British army reserve, and that their services should be absolutely pledged to the British Government in the case of any serious emergency. This suggestion was not approved by the Canadian Ministers, for the vital reason that it would have involved a departure from the principle of self-government which Canada values as life itself. The Ministers, whilst dissenting from the proposed measures, fully realised the obligation of the Dominion to make expenditures for purposes of defence in proportion to the increasing population and wealth of the country.

The militia force of to-day, as established by law, consists of three portions: the permanent force, the active militia, and the reserve militia. Section 10 of the Reserve Militia Act of Canada runs as follows:—"All the male inhabitants of Canada of the age of eighteen years and upwards, and under sixty, not exempt or disqualified by law, and being British subjects, shall be liable to service in the militia; provided that the Governor-General may require all the male inhabitants of Canada capable of bearing arms to serve in the case of a 'levée en masse.'" A certain number of persons are exempt, amongst them members of the Privy Council, Judges, members of the Executive Council, Clergy, Telegraph Clerks, Revenue Clerks, Police and Fire Brigade, Professors in Universities, etc., together with persons who, from the doctrines of their religion are averse from bearing arms.

The establishment permanent force, which up to 1904 had an authorised strength of 1,000, was increased to 5,000, and in 1910 the actual numbers were 277 officers and 4,677 N.C.O's. and men.

The permanent force is distributed in depôts, so that there may be, as far as possible, one military depôt in

each district, and one or more in each of the larger provinces. Including Halifax there are two depôts in the maritime provinces, three in Quebec, four in Ontario, one in Manitoba, and, counting Esquimalt, one in British Columbia. There is also a detachment of the Canadian Ordnance Corps at Calgary in Alberta, and another has been established in Montreal. The stations of the Permanent force of Canada are :—

Quebec	Quebec.
Ottawa	Ontario.
St. Jean	Quebec.
Toronto	Ontario.
Winnipeg	Manitoba.
Kingston	Ontario.
Halifax	Nova Scotia.
London	Ontario.
Fredericton	New Brunswick.

The active militia numbers at present about 5,000 men, who drill only at schools of instruction or at regimental headquarters. The idea is that with a partially trained force of this kind there shall be an organisation which will allow of its expansion to 100,000 men should they be required for an emergency.

The period of service in times of peace is three years or more. A steady increase is shown in the number of men trained in the militia of Canada. In 1895 19,000 men and 1,125 horses were trained. In 1908-9 no less than 47,000 officers and men with 8,500 horses went through a period of instruction. The reserve militia at present exists only in name, but it can be called up by the Governor in Council at any time of emergency. There is in the Militia Act a provision as in England, that should a complete quota be required of men liable to serve, it can be provided by ballot ; so far this provision has not been necessary.

Naturally in the case of a half-trained force the most serious problem is the education and training of its officers. Officers of the militia are, as a rule, men of business, dependent for their livelihood upon their civilian occupation. It is impossible for such men to remain away for long from their business, and since Mahomet cannot go to the mountain the reverse process has been tried of bringing the schools to these officers at convenient points. The Royal Military College, established about thirty-five years ago for the training of young officers, was for many years something of a disappointment to Canadian military enthusiasts. That the education is excellent is proved by the fact that for many years past the college has been filled to its utmost capacity. A large number of graduates entered various professions, and particularly the engineering profession, and many others joined the Imperial army and proved the worth of their training. In recent years, however, many graduates have gone from the military college to the permanent militia force, as was intended.

A fact which must not be overlooked in the military education of Canada is the provision of the Strathcona Trust, founded by the High Commissioner of Canada. The object in view is twofold : 1. The improvement of the physical and intellectual capacities of the children while at school by a proper system of physical training, calculated to improve their physical development, and at the same time to inculcate habits of orderliness, alertness, and prompt obedience. 2. The fostering of a spirit of patriotism in the boys, leading them to realise that the first duty of a free citizen is to be prepared to defend his country, to which end all boys should, as far as possible, be given an opportunity of acquiring some acquaintance while at school with military drill and rifle-shooting.

Before a province can participate in the benefits of the Trust it must pledge itself to include in the regular

curriculum of its schools instruction in physical training for the children of both sexes. The provision as to military drill for boys has led to a certain amount of misapprehension of the object of the Trust; but Lord Strathcona's object, far from being to use the Trust as a vehicle for introducing a system of compulsory military training, is, on the contrary, simply to inculcate a spirit of patriotism, which is a very different thing. For this reason the provinces accepting the benefits of the Strathcona Trust are not pledged to form cadet corps, but merely to encourage the formation of such corps. The militia department makes itself responsible for the instruction of the teachers, to enable them to become expert, under the same conditions as are already allowed to the officers of the active militia.

Royal North-West Mounted Police

From the year 1873 onwards there has been in existence a force of a military character operating in Western Canada, under the control of the Dominion Government, which has established for itself a reputation which is world wide.

At the time the Hudson's Bay Company's Territory was taken over by the Government of Canada, the early settlers who went West required, it was thought, the protection that could only be afforded by a force of constabulary. Statutory power was granted to the Governor in Council under an Act passed in 1873 to constitute a Police Force in and for the North-West Territories. This Act provided that the number of the force should not exceed in the whole the number of 300 men, a portion of whom were to be mounted, and that the duty of the force should be (1) "To perform all duties assigned in relation to the preservation of the peace, the prevention of crime, and of offences against the laws and Ordinances in force in the North-West

Territories; (2) To attend upon any Judge, Stipendary Magistrate or Justice of the Peace, when required, and, subject to the Commissioner or Superintendent, all duties and services in relation thereto, which may, under this Act, or the laws or Ordinances in force in the North-West Territories, lawfully be performed by constables; (3) To perform all duties which may be lawfully performed by constables in relation to the escort and conveyance of convicts and other prisoners or lunatics, to or from any Courts, places of punishment or confinement, asylums or other places.

The force was organised by Major-General Sir George Arthur French, who became its first Commissioner, and in the following year commanded an expedition sent from the Red River to the Rocky Mountains by the Canadian Government. Subsequently the command was taken over by Lieutenant-Colonel A. G. Irvine, the Assistant Commissioner, who in turn was succeeded by Colonel L. W. Herchmer. The present Commissioner, Colonel A. B. Perry, was the first graduate of the Royal Military College, Kingston, Ontario, after its foundation, later becoming a Lieutenant in the Royal Engineers. On retiring from the Army he was appointed Inspector in the Police and was promoted Superintendent in recognition of his services with the force during the North-West Rebellion in 1885. The force is administered, under the supervision of the Prime Minister, by a Comptroller at Ottawa, whose office forms one of the Departments of the Government at Ottawa, and who ranks as a Deputy Minister.

The Commanding Officer, having the title of Commissioner, has his headquarters at Regina. There are also two assistant commissioners, eleven superintendents, thirty-one inspectors, five surgeons and assistant-surgeons, eleven staff-sergeants, forty-six sergeants, sixty-four corporals, three hundred and seventy-two

constables and eighty-five special constables, making a total of six hundred and fifty-one.

The various detachments into which the force is divided cover an enormous stretch of territory, including the provinces of Saskatchewan and Alberta, the Yukon Territory, and the districts of Mackenzie and Keewatin, which two latter form part of what are now known as the North-West Territories. One detachment in the Keewatin district is actually on the Arctic Ocean, no less than 2,500 miles from headquarters, involving a period of two months for the journey.

The main strength of the force is, however, stationed in the southern portion, to the south of the two provinces first named.

Candidates for enlistment as constables must be British subjects between the ages of twenty-two and thirty, intelligent, active, able-bodied men of thoroughly sound constitution, sober and steady, and must produce certificates of exemplary character from reliable persons. They must be able to read and write either the English or French language, have some knowledge of the care and management of horses, and be able to ride. The term of engagement is five years, but the Commanding Officer has repeatedly recommended that it be reduced to three. A recruit of less than three months' service may claim his discharge on payment of fifty dollars, but after that period it is only granted as a special privilege and on payment of three dollars per month of the unexpired term of service, with a minimum payment of fifty dollars.

The rates of pay are as follows :—

Sergeants-Major and Staff-Sergeants	$1.50 to $2.00	per day.
Sergeants	$1.25	,,
Corporals	$1.10	,,
Constables, 9th year's service	$1.00	,,
,, 8th ,, ,,	95c.	,,
,, 7th ,, ,,	90c.	,,

Constables,	6th years'	service	85c.	per day.
,,	5th ,,	,,	80c.	,,
,,	4th ,,	,,	75c.	,,
,,	3rd ,,	,,	70c.	,,
,,	2nd ,,	,,	65c.	,,
,,	1st ,,	,,	60c.	,,

Extra pay is allowed to a limited number of blacksmiths, horseshoers, carpenters and other artisans. Members of the force are supplied with free rations, free uniforms and necessaries on joining and periodical issues during service. The minimum height of recruits is 5 feet 8 inches, the minimum chest measurement 35 inches, and the maximum weight 175 pounds. Non-commissioned officers and constables on discharge, after completing twenty years' service, or, who have completed not less than fifteen years' service and are incapacitated, are entitled to receive a pension. The standard of requirements is very high, and the medical examination of candidates a strict one. Unless intending recruits are convinced that they are thoroughly sound and fit for service it is unwise of them to incur the expense of preceeding to Regina, which is the only point at which enlistment takes place.

The nature of the duties performed by the Royal North-West Mounted Police is most varied, and when it is realised that the annual number of convictions of various kinds within their jurisdiction during the past three years is almost 6,000, it is obvious that they are kept fully employed. A list of general headings under which convictions were obtained, in itself indicates to a large extent the wide scope of the duties of the force :— offences against the person ; property ; public order ; religion and morals ; misleading justice ; corruption and disobedience ; Railway Act ; Customs Act ; Indian Act ; Animals' Contagious Diseases Act ; Fisheries Act ; Dominion Lands Act ; Election Act ; Rocky Mountain

Park Regulations ; Militia Act ; Inland Revenue Act ; Penitentiary Act ; Lord's Day Act ; Manitoba Grain Act ; Trades Union Act ; Provincial Statutes and Ordinances.

There are, besides, the duties of providing common gaol accommodation almost throughout the provinces of Saskatchewan and Alberta and rendering important assistance to several of the Dominion Government Departments such as the Department of the Interior, the Customs Department, Department of Agriculture, and the Department of Indian Affairs. For the most part, however, the patrol work, the detection and suppression of crime and other duties ordinarily associated with a force of the kind are the matters which particularly occupy the attention of the Police.

There are, however, many duties of a different character which are performed, one of the most pleasant of which is that of providing guards of honour for distinguished visitors to the North-West, and His Majesty King George, Prince Fushimi of Japan, and many of those who have held the position of Governor-General, have spoken in highly complimentary terms of the smartness and efficiency of the force. On one occasion during Prince Fushimi's trip through Canada in 1907, the programme which had been arranged for a certain day did not meet with his Highness' approval, and he set it aside to go fishing in a boat with a corporal belonging to the Bankhead detachment of the Police. The corporal was well provided with flies and hooks, and at the first cast the Prince drew out two fish on one hook which caused him to laugh heartily, for the first time (according to his staff) since leaving Quebec.

Prior to the formation of the province of Saskatchewan and Alberta out of the enormous stretch of territory between Manitoba and the Rocky Mountains, the maintenance of law and order in that section of Canada rested

with the Dominion Government, and was delegated to the Royal North-West Mounted Police. When the new Provincial Governments were formed, it became their duty to take over the responsibility, but by an agreement arrived at in 1906 the two provinces arranged to contribute a portion of the cost of maintaining the force, the control to remain with the Dominion Government as hitherto. The arrangement has worked in a satisfactory way, and appears to have proved very advantageous from all points of view.

Innumerable instances of strenuous duties admirably performed by members of the force could be given, but one or two will suffice. A sergeant immediately on his return from a northern patrol received a communication from an Indian living at Fort McKay on the Athabasca River, requesting him to come and take charge of his insane son who had become violent and dangerous. Although his train dogs were not in a fit condition to make another long journey, he hired others, and travelled from his northern post of Fort Chippewyan amid heavy snowstorms. Having provided the unfortunate lunatic with suitable clothing and prepared him for the journey, the sergeant journeyed from Fort McKay to Lac-la-Biche, and notwithstanding the absence of a trail and a heavy snowstorm, succeeded eventually in reaching Fort Saskatchewan, where he handed over his charge to the proper authorities. Mention was made that the trip was the most difficult he had ever undertaken, owing to very deep snow and inclement weather. In addition to these difficulties, the lunatic was so violent for the greater part of the journey that he had to be strapped to the sledge on which he was being conveyed. It can be readily imagined that the experience was an extremely terrible one for his conductor, yet the sergeant's formal report of the incident was made in the most matter-of-fact terms.

In another similar case, where a constable stationed

at Fort Chippewyan had to conduct an insane prisoner to Fort Saskatchewan, he became violently insane himself as the result of the hardships of his trip and his anxiety for the safety of his charge. After a period of treatment and of special leave, he recovered and returned to duty.

Another instance of heroic work performed by a member of the force is that in which Corporal D. B. Smith, who was stationed at Norway House to the north of Lake Winnipeg, aided the unfortunate inhabitants of that neighbourhood when a severe epidemic of diptheria and scarlet fever occurred there in 1904. This non-commissioned officer undertook to supply them with food, disinfect their houses, help to care for their sick, and buried the dead. Without his aid things would have undoubtedly gone badly with the afflicted settlement.

The moral effect of such a force, thoroughly organised, splendidly disciplined, with all the power of the Dominion Government behind it, has from the very first been undoubted, both by its influence in keeping down lawless tendencies, and in serving to exemplify to the homesteader and the new-comer in the West that his interests were being carefully safeguarded.

The ordinary scope of the duties performed by the Mounted Police has been outlined above, but it remains to speak of the new phase of work which has been allotted to it in recent times. In 1903 the field of operations was considerably widened, a detachment of five men under the command of Superintendent Moodie being selected to accompany a Government expedition to Hudson's Bay. Another expedition was despatched to the Arctic Ocean under the command of Superintendent Constantine, and one of the members (Sergeant Fitzgerald) established a detachment at Herschel Island, eighty miles north-west of the mouth of the Mackenzie River in the Arctic Ocean. The establishment of outposts of this character shows that a determination exists to

enforce the law of the country at whatever cost or however remote the district. Besides the detachment working in the Arctic, there is another small force operating along the Western shores of Hudson's Bay. Yet another piece of pioneer work undertaken by the force, was the construction not long since of a pack trail from Fort St. John in British Columbia to the Yukon Territory through the Peace River district.

The latest report of the Commanding Officer speaks of the many pressing applications which he is receiving from points all over the Western Provinces for the establishment of new detachments; and points out that if he were to meet the demands made upon him, the present strength of the force which, as before stated, numbers 651 officers, non-commissioned officers and constables, would have to be doubled. He adds that the "development of the Western Provinces will go on even more rapidly than before, and the Police requirements must increase."

At the time of the South African war, several of the officers, non-commissioned officers and men were granted leave to join the mounted regiments which went out from Canada, and the services they performed were of the utmost value. The nature of their duties in the Dominion naturally enabled them to cope with the work for which they were required, and their example was a valuable asset to regiments formed in a comparatively short space of time.

The force has all along been largely recruited from young Englishmen, as the life does not, in the opportunities at present offered by the rapidly expanding western country, appeal at all strongly to the Canadian.

Canada's Navy

The arrival of the Cruiser *Niobe* at Halifax, on the 21st October, and the *Rainbow* at Esquimault on the

7th November, marks a departure of the greatest consequence in the policy of Canada. Under the new British naval scheme brought into force a few years ago, the British squadron stationed on the Pacific coast of Canada was withdrawn ; since when, except for occasional visits, the Navy has been practically unrepresented on the Dominion seaboard. In 1908 and 1909 much interest was aroused in Great Britain, and in the self-governing Colonies, on the question of the naval supremacy of the Mother Country, and in consequence, in March of the latter year a resolution was passed in the Canadian House of Commons to the effect that that House would cordially approve of any necessary expenditure designed to promote the speedy organisation of a Canadian naval service, in co-operation with, and in close relation to the Imperial Navy.

Opinions differed as to the form that this departure should take, some members advocating a money contribution to the British Navy, while others held that Canada should, as far as possible, provide her own defence, and that it would not be wise for her navy to form part of that of Great Britain.

An Imperial Defence Conference, at which Canada was represented, met in London in July, 1909, and it was then agreed that the Dominion should lay the foundation of her own fleet, and that a beginning should be made with cruisers of the *Bristol* class, and destroyers of an improved river class. To give effect to this agreement, a Naval Defence Bill was introduced into the Canadian House of Commons in January, 1910, which provided for the organisation of a naval service, including a permanent force, a reserve force, and a volunteer force. It was stated that the early construction was contemplated of two cruisers of the *Bristol* class, three of the *Boadicea* class, and six destroyers, and for this purpose an appropriation for the current year of 3000,000

dollars was taken. It was provided in the Act that, in case of emergency, the Government might, by an order in council, place the fleet at the disposal of His Majesty the King. The Government also decided to purchase at once, from the British Admiralty, two cruisers that could be used for fishery protection, and also for the purpose of training under British Naval Officers Canadians for the naval service. The cruisers *Niobe* and *Rainbow* were procured, the former to be stationed on the Atlantic and the latter on the Pacific coast.

The scheme may now be said to be fairly under way. A new Department, the Naval Service Department, has been organised and staffed, the two training cruisers —which form the nucleus of the Canadian Navy— have reached the Dominion ; and a College for training officers for the fleet is in course of formation. So far, construction of the remaining cruisers and destroyers (which are to be built in Canada) has not been begun, and it can be readily understood that work of this kind, which is novel to the Dominion, requires careful consideration and preparation. But no doubt this will soon be taken in hand and brought to a satisfactory conclusion.

CHAPTER IV

Banking and Currency in British North America

The Banking system of Canada is of no mushroom growth. It has been built up with the development of the country, and has, in the main, kept pace with its progress.

It may be said, generally, that all the joint-stock banks of the Dominion carry on business under a general banking law. Although a joint-stock bank cannot be started without a special charter, yet all such charters are subject to the provisions of a law dealing with such matters as the rights, powers and responsibilities of all concerned. This law is limited in its operation to ten years, and the whole question of banking and currency must come up for discussion in the Canadian Parliament at decennial periods. By the British North America Act, the subject of banking is placed under federal, and not provincial, jurisdiction. The Canadian banking system is one of which the citizens of the country may be justly proud, and there can be no doubt that a system has been built up which has proved, in every respect, to be thoroughly adapted to the country, and to its expanding circumstances. The banks have followed the progress of settlement, and have grown with the country until to-day there are thirty chartered banks rendering monthly statements to the Department of Finance. These banks have hundreds of branches all over the Dominion, and have an authorised capital of 156,266,666 dollars paid up capital totalling nearly a hundred million dollars, and reserve funds amounting to nearly 80,000,000 dollars.

In the early days, for a very considerable time, the

Bank of Montreal and the Quebec Bank were the only institutions that carried on business in what was then known as Canada (comprising now the Provinces of Ontario and Quebec). The business then was but a small one, and it may be mentioned that the Bank of Montreal, at its initiation, had a capital of 350,000 dollars only, and at the end of its first year, it laid by, as a reserve, the modest sum of 4,000 dollars. Now its capital is 14,000,000 dollars—all paid up,—reserve 12,000,000 dollars, and undivided profits are about 680,000 dollars.

The first bank established in Canada was the Bank of Montreal, in 1817, followed the next year by the Bank of Quebec. In 1821 the banks were granted a charter which does not differ much in form from those of the present day. The three special forms of banking were performed from the first, viz., receiving deposits, issuing notes and discounting bills. There was, however, one clause out of the common in the original charter of the Bank of Montreal. It was that officers of the bank guilty of secreting, embezzling or running away with bill, bond, obligation, money or effects, should, on conviction, be deemed guilty of felony, the penalty attached being death as a felon without benefit of clergy. Between 1821 and 1836 many banks were established, among them being the Bank of British North America, organised by Scottish and English merchants, and incorporated by Royal Charter.

In 1830 the Banking Act was amended, so that the total amount of notes of less sum than five dollars in circulation should not exceed one-fifth of the paid-up capital; that no notes under the value of one dollar should be issued, and that all issues of less than five dollars might be limited or suppressed by the legislature. In 1850 an Act was passed which forbade the issue of notes by banks, other than those authorised by Act of Parliament or by Royal Charter. The tax on the circulation of the

banks was abolished, and in lieu of those a deposit with the Government of provincial debentures was required, and according to a plan fixed by the legislature. Bank statistics to be monthly forwarded to the Government were required in that year.

The first legislation in the Dominion dealing with banking, was introduced in the year of Confederation—1867—but this Act did little more than continue for three years the charters of the incorporated banks then in existence. A measure was introduced by Sir John Rose in 1869; this was withdrawn, but, in the following year Sir Francis Hincks brought in an Act having many important features, the provisions of which have formed practically the foundation for most of the subsequent legislation on the subject. By this measure, it was provided that the banks should hold from 33 to 50 per cent. of their cash reserves in Dominion notes, and that the furnishing of monthly returns should be obligatory. It was enacted also that banks which were newly started should have a *bona fide* paid up capital of 200,000 dollars, and that the circulation should never exceed the paid-up capital. A subsequent Act, modifying and improving the last named measure, was brought forward by Sir Francis Hincks, who had, on this occasion, the benefit of the invaluable guidance of Mr. J. M. Courtney (then, and until 1906, Deputy Minister of Finance). This measure made a change in reference to the amount of capital, which was then fixed as it remains now, that the subscribed capital must be 500,000 dollars, with 100,000 dollars paid up, when a new bank was established, and 100,000 dollars more to be paid up within two years of the time of its opening business. Sir Francis also introduced a Currency Bill. Prior to the passage of this measure, Nova Scotia had a different par value of £1 to Upper and Lower Canada value. He also introduced a "Dominion Notes Bill," which, although

often amended, laid the foundation of a good deal of subsequent legislation regarding Dominion notes.

The granting of charters to several banks between the years 1870-1880 led to a new Bank Act in 1880, which was introduced by Sir Leonard Tilley. This measure was, however, much on the lines of the previous Act, the only changes of note being that the Dominion notes to be held as reserves should not be less than 40 per cent., that the issue of four dollar notes be taken from the banks, that the privilege of issuing fives and multiples of fives be continued, and that notes have a preferential lien in order to give greater security.

In 1890, an amendment to the Bank Act was introduced by the Hon. George E. Foster. This measure was of the first importance, and embodied several amendments and additions as regards previous legislation. For instance, the banks were required to furnish to the Department of Finance, yearly, a list of balances in respect of which no transactions had taken place during the five years prior to the date of such return, and of all dividends remaining unpaid for the same period. This return, which is published by the Government in the form of a blue-book, provides a means of enabling persons to obtain particulars of moneys belonging to them, of which they would otherwise have no knowledge. The monthly form of return furnished by Banks was also altered. Previously, this return was based upon the balance in the possession of the Bank on the last day of the month. The new form called for daily amounts of specie and Dominion notes to be shown, to ensure that, in no one period of the month, did the banks infringe the Act. Mr. Foster, in introducing this Act, called attention to hardships which had arisen in cases of suspension of banks, to the holders of bills living in remote parts of the country. He stated that, although in only one case, had the notes secured by the banks failed to be redeemed

at their face value ultimately, yet it had happened that persons had suffered because, they were forced by circumstances, and by reason of a general feeling of panic, to lose upon the notes they held. To meet this condition of affairs, the Act provided a fund should be formed by the banks, to be called the "banks' circulation redemption fund." On the fund thus formed the Government proposed to pay interest at the rate of 3 per cent. per annum. This fund was to be used, upon suspension of a bank, and between the time of suspension and redemption for the purpose of redeeming, if necessary, the notes of the bank, and it was held that the knowledge that such a fund existed would keep the notes at par. To ensure greater care in the formation of new banks, it was provided that, although the amount of capital stock was not to be increased, yet, before any bank undertook business in Canada, 250,000 dollars should be *bona fide* paid in and deposited in the hands of the Minister of Finance. This provision, it was urged, would prevent any bank going into operation in Canada without giving a good guarantee that it was prepared to do business on a solid foundation.

In 1900 an amendment was introduced by the Hon. Mr. Fielding. By this it was provided that the Canadian Bankers' Association—which has a Dominion charter —should be incorporated in the Act, and duties were assigned to it in the case of the suspension of any bank. It was enacted that the Association should appoint competent persons to supervise the affairs of any such banks, and to have absolute supervision until they were removed from office, or until the bank resumed business, or a liquidator was duly appointed to wind up its business. The note issue of all banks, and all matters relating thereto, such as the cancellation of and the ordering of new supplies of notes, are watched over by periodical visits of the Secretary of the Association.

This legislation places the Association in a unique position, for in no other public Act has a private Association been brought in as part of the machinery of the Executive. The Minister of Finance said, in reference to this, that it was felt that as the banks were more or less partners as regards their note circulation, for the reason that they were responsible for, and all contributed to the circulation redemption fund, therefore they had a special interest in seeing that a bank which had suspended was conducted in the right way. This Act also provided that a bank which so desires may by a vote of two-thirds in value of all its shareholders, sell and dispose of all its assets to another bank, but that, if the assets happen to be very large, such as would require an extension of the capital of the purchasing bank, it is provided that the shareholders of that bank, also, should be consulted.

An Act should have been introduced in 1910, but its consideration was postponed until 1911. This Act is necessary, for the reason that the existing charters expire in 1911, and need to be renewed. There has been some talk of important amendments to the Act, but how far this is founded on fact remains to be seen.

The principal provisions of the Banking Act are as follows :—

The capital stock of any bank shall be not less than 500,000 dollars, in shares of 100 dollars each.

500,000 dollars must be subscribed, and 250,000 dollars paid to the Minister of Finance, who is also Receiver-General, and a certificate of permission obtained from the Treasury Board before business can be commenced.

Bank directors must hold capital stock as follows: On a paid up capital stock of 1,000,000 dollars or less, stock on which 3,000 dollars has been paid up ; on a paid up capital stock of over 1,000,000 dollars and not over 3,000,000 dollars, stock on which 4,000 dollars has been paid up ; and on a paid up capital of over 3,000,000 dollars

stock on which 5,000 dollars has been paid. A majority of the directors must be British subjects.

No dividends or bonus exceeding 8 per cent. per annum can be paid by any bank, unless, after deducting all bad and doubtful debts, it has a reserve fund equal to at least 30 per cent. of its paid up capital.

Every bank shall, subject to a penalty of 500 dollars for each violation, hold not less than 40 per cent. of its cash reserve in Dominion notes.

The amount of notes of any bank in circulation at any time shall not exceed the amount of its unimpaired capital, subject to penalties varying with the amount of such excess.

The payment of notes issued by any bank for circulation shall be the first charge on its assets in case of insolvency; any amount due to the Dominion Government shall be the second charge, and any amount due to any provincial government shall be the third charge.

Every bank shall pay to the Minister of Finance a sum equal to 5 per cent. on the average amount of its notes in circulation, such sum to be annually adjusted according to the average amount of circulation during the preceding twelve months. These amounts form a fund called "The Bank Circulation Redemption Fund," to be used when necessary, on the suspension of any bank, for the payment of the notes issued and in circulation, and interest. Payments from the fund are to be without regard to the amount contributed.

All notes issued for circulation shall be payable at par throughout Canada.

No bank may lend money on its own shares, or on those of any other bank, or upon mortgages of real estate, or on the security of any goods, wares or merchandise, except as collateral security.

Any rate of interest may be charged and allowed, but not more than 7 per cent. can be recoverable.

Monthly returns signed by the chief accountant, the acting president and the manager, shall be made to the Minister of Finance within the first fifteen days of each month, subject to a penalty of fifty dollars for each day's delay, such returns to be made in the form provided in the act. Special returns may be required by the Government at any time. All Government cheques are payable at par.

The following figures will show the progress made by the banks of Canada since 1868 :—

In 1868 the paid up capital was 30,507,447 dollars, in 1909 it had increased to 97,329,333 dollars. Notes in circulation increased from 9,350,646 dollars to 73,943,119 dollars ; Totals on deposit from 33,653,594 dollars to 783,298,880 dollars ; Liabilities 45,144,854 dollars to 882,598,577 dollars ; Land assets from 79,860,976 dollars to 1,067,007,534 dollars.

Currency

In the early days of the French régime, beaver skins served as a currency in Canada, and in 1669 wheat was declared a legal tender, at four francs for three French bushels. In 1774 moose skins were declared a legal tender, at the current market rate. It was customary for the troops to be paid in January of each year. Since money, for such purpose, was often late in arriving, the idea was conceived of issuing what was known as " card money " in bills of three values, four francs, forty sols, and fifteen sols. Issues of this card money were also made in 1691, 1692, and at intervals thereafter until 1714, when, as the amount had risen to about two million livres, and the redemption had not been regular, they fell into discredit. A settlement was however arrived at, and the issue of card money was renewed in 1717, and continued until 1759, when, by a decree of France, the payment of expenses for the colony was stopped. Various proposals

were made to the French Government for a just settlement, but many obstacles were thrown in the way. The holders eventually had to accept stock in the French funds, which had then fallen to 24 per cent. below par in the London market, which stock at first bore interest at four per cent., and afterwards at 4½ per cent. After the final withdrawal of the card money, the colonists were compelled to use what specie they could get in order to make their payments. This, however, was frequently not to be had, and it is recorded that they had often to give promissory notes, which were circulated from hand to hand.

One of the first Acts of the British after the acquisition of the Dominion, was to pass an Act in 1764, laying down values for such coins as were in circulation. This legislation was, however, repealed a few years later, the reason being that the coins were so clipped and worn that it was not possible to establish any relative value for them. In 1796 the Legislature of Upper Canada passed an Act for the better regulation of coins current in the province, and by this Act certain coins of various countries, including Portugal, America, Great Britain, Spain and France, were made legal tender at specified values. A similar Act had been previously passed by the Province of Lower Canada. In the year 1812, what were known as "Army Bills" were issued. This was the first authorised paper issue since Canada became a British possession. These bills were issued for the purpose of supplying money for the prosecution of the American war, and in August, 1812, the Legislature of Lower Canada passed an Act providing for the issue of bills to the value of 250,000 dollars. It was provided that they should be issued in denominations of 4.00 dollars and 25.00 dollars and upwards, and it was provided in the draft Bill that they should bear interest at the rate of fourpence per hundred pounds per diem. Various other Acts were

passed authorising further issues. The amount stood finally at £3,441,993 in 1817, in which year all these Acts were repealed, and liquidation took place. These Army Bills, though none too favourably received at first, seem to have become popular, and to have supplied a long-felt want.

In Lower Canada, in 1819, French gold and silver coins were admitted to unlimited legal tender. By this action, silver French coins were practically made the standard of value in Lower Canada, while, in Upper Canada, the Spanish dollar and its sub-divisions answered the same purpose. About this time another factor in the circulating medium made its appearance in the form of bank notes. The increase of these was constant and, in 1828, they had increased so in value that specie was a very uncommon sight. At this time there was a great quantity of American paper circulating in Canada.

In 1834 the United States passed to a gold standard, which had the effect of draining Canada of gold. Owing to the presentation of a great number of notes by the agents of United States banks in 1837, the Canadian banks were so depleted that many of them (at least, the Lower Canadian banks) were forced to suspend specie payments. Parliament was summoned to allow the banks in Upper Canada to suspend specie payments. This motion, however, was successfully opposed by Sir Francis Bond Head, and the banks were carried through the crisis.

About this time the issues of notes by private bankers and firms had reached alarming proportions; so much so that, in 1837, an Act was passed by the Legislature of Upper Canada, limiting the issue of notes to authorised banks only, and a similar Act was passed by Lower Canada in 1839. On the two Canadas being united in 1840, an Act was passed repealing all past legislation dealing with currency, and creating as the new basis

a pound currency. It was provided by a measure passed in 1851 that accounts might be rendered either in sterling, or in dollars and cents. This was, however, repealed in 1857, and it was made compulsory to render accounts in dollars and cents.

On December 10th, 1858, the first purely Canadian coins were struck at the Royal Mint in London; they were of twenty, ten and five cent pieces in silver, and one cent in copper. The issue of these coins came as a great boon to the people of Canada, as, previously, the means for giving change were utterly inadequate. An Act respecting the currency was passed in 1868, which, conditionally on the United States adopting a basis agreed upon by an International Monetary Conference held in Paris in 1867 that the American five dollar gold coin should be made of the same value as the French gold coin of twenty-five francs, provided that the denomination of money in the currency of Canada should be pounds, shillings, pence, dollars, cents and mills, the pound, shilling and penny to have the same proportionate value as in the currency of the United Kingdom, and the dollar to be one-fourth of a pound currency, the cent to be one-hundredth of a dollar, and the mill one-tenth of a cent.

The equivalent of the pound currency was fixed and it was held that the British sovereign should be held to be equal to five dollars and four cents and one-third of a cent currency, and it was also provided that the half eagle of America should pass current and be a legal tender at the rate of five dollars. This measure did not come into effect, and in 1871 an Act was passed to ensure one uniform currency for the Dominion. This Act provided that the currency of Nova Scotia should be the same as the provinces of Ontario, Quebec and New Brunswick, and that the denomination of money in the currency of Canada should be dollars, cents and mills, the cent being one-hundredth part of a dollar, and the mill one-tenth

of a cent; that the British sovereign should pass current for four dollars, eighty-six cents and two-thirds of a cent, and the half sovereign for one-half the said sum. It was also laid down that the gold eagle of America, while its standard of fineness should be maintained, should pass current in Canada, and be a legal tender of ten dollars.

A New Currency Act, repealing all previous legislation on the subject, was passed during the session of 1910. It provides that gold, silver and bronze coins, of specified weight and fineness, struck on the authority of the Crown for circulation in Canada, should be equal to and pass current for the following sums in the currency of the Dominion :—Twenty dollars, ten dollars, five dollars, two and one-half dollars, fifty cents, twenty-five cents, ten cents, five cents and one cent; that gold coin should be a legal tender for any amount, silver coin for a payment of not more than ten dollars, and bronze for a payment of not more than twenty-five cents. The British sovereign and half-sovereign were legalised as currency, as were the gold coins of the United States of America, the five dollar, ten dollar and twenty dollar coins being declared to be a legal tender and to pass current in Canada for similar amounts. The Governor in Council may, by proclamation, fix the rates at which any foreign gold coins may pass current and be a legal tender. He is also empowered, by proclamation, to determine the size of and design for any coin; to determine the weight below which coins, when diminished in weight through various causes, are not to be deemed a legal tender, and to make regulations under which such coins may be redeemed.

In the year 1901 a branch of the Royal Mint was established at Ottawa, and, at the present time, all coinages of the Dominion are manufactured at that establishment.

CHAPTER V

Customs Revenue and Taxation

A LARGE proportion of the current revenue of Canada is obtained from Customs taxation, as is shown by the fact that out of the total revenue on account of the Consolidated Fund for the year ended March 31st, 1909, of 85,000,000 dollars, the receipts from Customs Taxes amounted to over 47,000,000 dollars, which latter figure grew to 61,000,000 dollars in 1909-10.

The power of raising money by any system of taxation was declared by the British North America Act of 1867 to be within the legislative authority of the Parliament of Canada, and customs duties are accordingly levied under the authority of an Act of the Dominion entitled the Customs Tariff. The control and management of the collection of the duties of customs and all matters incident thereto, as well as of the officers and persons employed in the service, is vested in a Department of the Civil Service at Ottawa called the Department of Customs, presided over by a Minister of Customs who is a member of the Dominion Cabinet appointed by the Governor-General, by commission under the Great Seal. There is also a Commissioner of Customs acting as the deputy of the Minister who ranks with the Deputy Ministers and other chief officers in the Civil Service.

A Board of Customs, consisting of the Commissioner, Customs Appraisers and such other duly qualified officers as may be appointed from time to time, sits at Ottawa for the purpose of deciding any points that may arise in connection with the administration of the Tariff.

Under the control of the Department there are at all the leading ports of entry officers known as Collectors of Customs, with staffs of appraisers, clerks, landing waiters,

examining officers and preventive officers varying in number with the requirements of the port.

The Department is charged not only with the collection of customs revenues and the administration of customs laws, but with the maintenance of a preventive service, the administration of marine coasting, the registration of shipping and the compilation and publication of statistics relating to Trade and Navigation.

The law provides that all goods imported into Canada, whether by sea, land, coastwise, or by inland navigation, whether dutiable or not, shall be brought in at a port of entry where a Customs House is established. There are about one hundred and forty customs ports comprising all the leading places to which merchandise is directed, and under the survey of these ports of entry there are a number of out-ports at many of which warehousing accommodation is provided on a larger or smaller scale in the same manner as at leading ports. In addition there are a limited number of preventive stations to which goods may also be manifested.

The general administration of the law relating to customs is carried on under the provisions of the Customs Act, which provides for the methods by which goods are entered and warehoused, and valued for duty purposes, the revenue protected, and for the precedure to be adopted by the officers of the department in carrying out the law.

Goods imported by sea or from any place out of Canada must, within three days after the arrival of the vessel, be entered inwards and landed. An invoice of such goods showing the place and date of purchase and the name or style of the firm or person from whom they were purchased, with other necessary particulars must be delivered to the customs officer. If the goods are not to be warehoused, the importer is required to pay all duties upon such goods whereupon the officer grants his warrant for unlading, and permit for their continuance

further into Canada if required. In default of such entry, the goods may be taken to a customs warehouse and kept there at the risk and charge of the owner. If unentered within a month from the date of their being warehoused and all charges paid, the goods may be sold by public auction, the proceeds to be applied to the payment of duties and charges, and any overplus paid to the owner of the goods or his agent. If the goods cannot be sold for a sum sufficient to pay the duties and charges they are destroyed.

The importer may enter goods for exportation or for warehouse without payment of duty, but if they are unlawfully removed from the warehouse they may be seized until the payment of double duty has been made.

An owner of warehoused goods may sort, pack, repack or make any arrangements respecting the goods warehoused in order to ensure the preservation or lawful disposal of them, and may take moderate samples, without immediate payment of duty, but duties are payable in all cases on the quantity and the value of goods in the warehouse as stated on first entry or as originally warehoused.

Warehoused goods may be removed in bond under authority of the customs officers from any warehousing port to any other warehousing port in Canada, or to any other warehouse in the same port. Goods may also be passed in bond from one port of entry to another port or in transit through Canada. Warehouse rent and all expenses connected with the unshipping, carrying and landing of goods, are borne by the importer, and warehoused goods must be finally cleared for exportation or home consumption within two years from the date of the first entry, in default of which they may be sold for the payment of duty, warehouse rent, etc.

Any customs duty overpaid or charged under an erroneous misinterpretation of the law, is not returnable

after the lapse of three years from date of payment, unless application for repayment has been previously made. A refund of duty is not allowed after fourteen days from the time of entry for any misdescription of such goods by the importer. Invoices must be made out in the currency of the country from which the goods are imported, and contain a true statement of the value of the goods.

The customs tariff at present in force is that passed by the Canadian Parliament in 1907. This is divided into three schedules :—

(*a*) containing the list of goods subject to duty, and those which enter duty free ;

(*b*) containing the list of goods subject to drawback for home consumption ;

(*c*) a list of prohibited goods.

The tariff of 1897, while providing a general tariff rate of duty on various classes of goods, extended a flat rate reduction of one-third in favour of goods of British origin and manufacture with a few exceptions, such as alcoholic liquors, liquid medicines, tobacco, cigars and cigarettes.

In the present tariff this method has been departed from, and there is now a tariff column in which every item is set forth with the exact rate of duty. There is a second column containing an intermediate tariff containing rates of duty somewhat below the rates in the general tariff ; and thirdly, the general tariff. The intermediate tariff was adopted as an instrument to enable negotiations to be conducted from time to time with any country willing to extend particularly favourable conditions to Canada, thereby enabling the Dominion to find new and large markets for her products.

The rates of customs duty under the British Preferential Tariff apply to goods of British origin or manufacture of the following British countries when imported direct from any British country : the United Kingdom ;

the British colony of Bermuda; the British colonies commonly called the British West Indies, including the following:—the Bahamas, Jamaica, Turks and Caicos Islands; the Leeward Islands (Antigua, St. Christopher-Nevis, Dominica, Montserrat, and the Virgin Islands); the Windward Islands (Grenada, St. Vincent and St. Lucia); Barbados; Trinadad and Tobago; British Guiana; British India; Ceylon; Straits Settlements; New Zealand; Cape of Good Hope; Natal; Orange River Colony; Transvaal; Southern Rhodesia; and any other British colony or possession admitted to the benefit of the British Preferential Tariff in Canada by Order in Council.

Every manufactured article to be admitted under the British Preferential Tariff must be *bona fide* the manufacture of a British country entitled to the benefits of the British Preferential Tariff, and a substantial portion of the value of the manufactured article must have been produced by labour in one or more of such countries.

In order to obtain entry of goods under the British Preferential Tariff, an exporter must furnish a separate invoice therefor to the Customs authorities and the requisite certificates of origin must be written, printed or stamped on the front or back of the invoice. The certificate prescribed lays it down "that each manufactured article on the invoice in its present form ready for export to Canada has been finished by a substantial amount of labour in such country, and not less than one-fourth the cost of production of each article has been produced through the industry of one or more British countries."

The British Preferential Tariff may be extended by Order in Council to any British country not specified above, or its benefit may be withdrawn by the same means from any British country (other than the United Kingdom).

It is laid down that the rates of duty under the Intermediate Tariff shall apply to goods the produce or manufacture of any British or Foreign country to which the benefits of such Intermediate Tariff shall have been extended, when imported direct from such foreign country or from a British country.

The benefit of the Intermediate Tariff may be withdrawn by Order in Council from any country to which it has been extended, in which case (as also in the event of the withdrawal of the benefit of the British Preferential Tariff by the same means) the rates of customs duties set forth in the General Tariff would apply to the country affected.

The General Tariff applies to all goods not entitled to admission under the Intermediate or under the British Preferential Tariff.

Invoices of goods imported are required to be furnished in duplicate to the customs authorities. It is not necessary for these to be delivered to the carrier transporting the goods into Canada, but they may be forwarded by mail to the importer, or his agent, for use in making entry of the goods at the customs port of destination in Canada. A third copy should be supplied to the importer for his own use.

The proper commercial designation of the goods must be set forth in all invoices as well as the marks and numbers on the packages. Every invoice must contain a sufficient and correct description of the goods, and in respect of goods sold by the exporter, must show in one column the actual price at which the articles have been sold to the importer, and in a separate column the fair market value of each article as sold for home consumption in the country of export.

In fixing the value for duty of goods subject to *ad valorem* duties (" 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 "), the Customs Act lays it down that "Such market value shall be the fair market value of such goods, in the usual and ordinary commercial acceptation of the term, and as sold in the ordinary course of trade: Provided that a discount for cash, for duty purposes, shall not exceed two and one-half per cent., and shall not be allowed unless it has been actually allowed and deducted by the exporter on the invoice to the importer."

The officers whose duty it is to appraise the value of imported goods according to the true intent and meaning of the law must, by all reasonable ways in their power, ascertain, estimate and appraise the true and fair market value of the goods at the time of exportation in the principal markets of the country from which they are exported. Information is regularly supplied to them by the authorities to enable them to secure proper valuation of such goods. The customs department adopts all possible means of becoming acquainted with the fair market value of goods when sold for home consumption in the countries of export.

To prevent undervaluation of imported goods of a class or kind made or produced in Canada, the Customs Tariff of 1907 contained the provision that "if the export or actual selling price to an importer in Canada is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to Canada, at the time of its exportation to Canada, there shall, in addition to the duties otherwise established, be levied, collected and paid on such article, on its importation into Canada, a special duty (or dumping duty) equal to the difference between the said selling price of the article for export and the said fair market value thereof for home consumption; and such special duty (or dumping duty) shall be

levied, collected and paid on such article, although it is not otherwise dutiable.

Provided also that the following goods shall be exempt from such special duty, viz. :—

(*a*) goods whereon the duties otherwise established are equal to fifty per cent. *ad valorem ;*

(*b*) goods of a class subject to excise duty in Canada ;

(*c*) sugar refined in the United Kingdom ;

(*d*) binder twine or twine for harvest binders manufactured from New Zealand hemp, istle or tampico fibre, sisal grass or sunn, or a mixture of any two of them, of single ply and measuring not exceeding six hundred feet to the pound.

Provided further that excise duties shall be disregarded in estimating the market value of goods for the purposes of special duty when the goods are entitled to entry under the British Preferential Tariff.

The Minister of Customs is empowered to make regulations for carrying out the provisions of this section of the Act, and such regulations may provide for the temporary exemption from special duty of any article or class of articles, when it is established to the satisfaction of the Minister that such articles are not made or sold in Canada in substantial quantities and offered for sale to all purchasers on equal terms, under like conditions, having regard to custom and usage of trade. They may also provide for the exemption from special duty any article when the difference between the fair market value and the selling price thereof to the importer amounts only to a small percentage of its fair market value.

The Customs Tariff provides for the imposition of a surtax of one-third of the duty specified in the General Tariff on articles which are the produce or manufacture of any foreign country which treats imports from Canada less favourably than those from other countries. This surtax was applied to German goods from November,

1906, to the 1st of March, 1910, when it was suspended and such goods became subject to the duties of the General Tariff.

On February 1st, 1910, a Convention respecting the commercial relations between Canada and France came into force. This Convention, which was signed on September 19th, 1907, and the Supplementary Convention of January 23rd, 1909, terminated the Agreement of February 6th, 1893, which had formerly been in operation. It provided for the application of the Intermediate Tariff to a number of natural and manufactured products enumerated in a Schedule (B) to the 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 Convention. There is a second Schedule (C) of such natural and manufactured products originating and imported in the same manner in which special rates of duties are set opposite to each item.

The advantages granted in the Convention extend to the United Kingdom and the several British Colonies and possessions with respect to their commerce with Canada, and any advantage which the United Kingdom and British colonies may enjoy under the British Preferential Tariff is not diminished by anything contained in the Convention.

The following countries accorded Most Favoured Nation Treatment in Tariff matters by Canada are also granted the benefit of the Convention :—Argentine Republic, Austria-Hungary, Bolivia, Columbia, Denmark, Japan, Norway, Russia, Spain, Sweden, Switzerland, Venezuela.

Dutiable goods serving as patterns or samples from any British country or from any country entitled in Canada to the advantages of the Franco-Canadian Convention of 1907, are subject to refund of duty on exportation from Canada, provided the goods be (*a*) bona fide

19—(2137)

samples or patterns, (*b*) marked by customs officer at the time of entry, (*c*) identified by a customs officer on exportation, and (*d*) be exported within twelve months from the time of entry.

By an Order-in-Council dated June 10th, 1910, the benefit of the Intermediate Tariff was extended to certain Schedules of goods, the produce or manufacture of Belgium, the Netherlands and Italy. Power to extend the benefits of the Intermediate Tariff, in whole or in part in this manner is vested in the Governor in Council in consideration of satisfactory benefits, with the proviso that the goods entitled to enter at the lower rates of duty must be imported direct from such foreign countries or from a British country.

Among other articles in the Tariff which are declared to be free of duty the following are included :—

(1) Articles for the use of the Governor-General.

(2) Arms, military stores, munitions of war, and other articles, the property of the Imperial Government, and to remain the property of such Government.

(3) Settlers' Effects, viz., wearing apparel, books, usual and reasonable household furniture and other household effects ; instruments and tools of trade, occupation or employment, guns, musical instruments, domestic sewing machines, typewriters, bicycles, carts, wagons, and other highway vehicles, agricultural implements and live stock for the farm (not including live stock or articles for sale or for use as a contractor's outfit, nor vehicles nor implements moved by mechanical power, nor machinery for use in any manufacturing establishment) provided that all the foregoing have been actually owned by the settler for at least six months before his removal to Canada, and subject to regulations prescribed by the Minister of Customs ; and further, that any dutiable article entered as "Settlers' Effects" may not be so entered unless brought by the settler on his first arrival,

and shall not be sold or otherwise disposed of without payment of duty until after twelve months' actual use in Canada.

(4) Articles consigned direct to officers and men of His Majesty's Imperial Navy, for their own personal use or consumption on board their own ships.

(5) Articles the growth, produce, or manufacture of Canada, returned, under certain conditions, to the exporter thereof after having been exported without having been advanced in value or improved in condition by any process of manufacture or other means.

(6) Articles brought into Canada temporarily and for a period not exceeding three months, for the purpose of exhibition or of competition for prizes offered by any agricultural or other association, provided that full duty is payable in case of sale or if not re-exported within the specified time.

(7) Articles for the personal or official use of Consuls-General who are natives or citizens of the country they represent, and who are not otherwise engaged in any business or profession.

(8) Articles of Canadian manufacture returned for repairs, provided they are identified to the satisfaction of the Collector of Customs, and that a sufficient bond for double the amount of duty is delivered to the Collector as security for their exportation within six months of entry.

The baggage of travellers entering Canada—wearing apparel, articles of personal adornment, toilet articles and similar personal effects may be passed free, without entry at customs, but this provision only includes such articles as actually accompany, and are in the use of such travellers for the immediate purpose of their journey and their present comfort and convenience, and is, of course, not intended to apply to merchandise or articles intended for other persons or for sale.

Tourists and sportsmen visiting Canada for a limited space of time, for health or pleasure may take with them such guns, canoes, tents, cooking utensils, camp equipment, musical instruments, kodaks, etc., as they require for their own use upon reporting the articles to the customs at the port of entry and depositing a sum of money equal to the duty. The tourist is required to furnish an invoice of his outfit in duplicate, one copy of which, signed by the customs officer and marked with the amount deposited, he retains. The money thus deposited may be refunded if the articles are exported at any customs port from which the tourist may leave within six months from the time of his entry.

CHAPTER VI

Education

By the provisions of the British North America Act the conduct of Education was left under the control of the provinces. That being so, there is necessarily a slight difference in the various systems followed, but taking it broadly the system pervading Canada is based on the principle of free education, out of funds supplied by government grants and local taxation.

Some provinces make education compulsory. In Ontario, for example, children are obliged to attend school between the ages of eight and fourteen, in Nova Scotia children between the ages of seven and twelve are obliged to attend, but only for 120 days in the year. British Columbia, Manitoba, New Brunswick, and Quebec have no compulsory law. A good example of uniformity of system is that of the province of Ontario. In this province all public schools and high schools are in the hands of professional teachers, examined, trained and selected by the provincial government ; there is a common matriculation examination for admission to all the universities of the province, and the educational ladder is graded in a most excellent fashion.

Beginning at the lowest class there is the kindergarten school, above which there are the public and separate schools, the latter being for the Roman Catholic or the Protestant minority as the case may be. The next stage in the educational ladder is the high school ; and lastly, the Provincial University. Each of these is independent, but all are under one central control, presided over by a Minister of Education, the object in view being to provide, for children from the age of four

to young people of twenty-two, a complete and well grounded scheme of education. The kindergarten school takes children of four or five years of age, the public school receives them at six, the high school at fourteen or fifteen, and the University at eighteen.

In a country like Canada where class distinctions do not prevail to any appreciable extent the poor but clever boy has precisely the same opportunity of improvement as the rich clever boy, and the rich brainless boy finds his own level with the other dullards of the school.

The schools of Ontario are governed by Boards of Trustees, High School Boards, Public School Boards and Separate School Boards. High School Boards are appointed by the local Municipal Council; the Public Schools and the Separate School Boards are elected by the ratepayers, the Public School supporters voting for the former and the Separate School supporters for the latter. Separate schools exist only in Quebec, Ontario and the provinces of Saskatchewan and Alberta. In Quebec naturally the Public School is for the Roman Catholic majority, and in the other two provinces for the Protestant majority with a separate school for the Roman Catholic minority in the latter, and for the Protestants in the former case. Until a few years ago Manitoba also had a series of separate schools for Roman Catholics, but after a long internecine fight they were abolished, and the children are now taught side by side in the public schools and religious instruction is given after the regular school hours by their own priests.

As far as expenditure goes, education receives a generous consideration from the provincial governments. The governments of the various provinces pay grants to public schools ranging from 9% to 39% of their total revenues. These figures, though perfectly accurate are slightly misleading, since the 39% which a few years ago was true of Prince Edward Island does not indicate

any more generous support of schools than the 9% of another province, but only that the schools in the Island province are supported chiefly from the provincial treasury rather than by local taxation. The amount of money spent is not the only evidence of the relative importance of education. In round figures it may be said that a million and a quarter children in Canada attend school every day, and that over 30,000 teachers are employed.

Of recent years the governments have been realising more and more fully the value of education. The great difficulty in Canada, (as in England, it must be confessed) with regard to expenditure on education, is not the want of money, but the want of appreciation on the part of the people as to the value of education. Taxation at all times is vexatious, and when the results are not immediately apparent it is the ratepayer's privilege to grumble, and he does so with energy.

Another of the specific hindrances to the advantages of education come from the difficulty of obtaining the right sort of candidates as teachers. It is the same story as one finds in England when the teacher is underpaid and under appreciated, and ambitious young men and young women, unless they enter the profession from pure disinterestedness, are repelled by the lack of prospect in the profession. In Quebec, for example, the salaries of men teachers are in some cases as low as 112 dollars a year, and of women in some cases less than 100 dollars.

Before leaving the question of underpayment of teachers a word must be said as to the recent movement for the adoption of district schools. In the sparsely populated districts of the United States an admirable plan has been adopted of combining a number of weak local schools into one good district school in a central locality. It is thus possible to provide a fuller education for the children, to engage well-qualified teachers, and to

increase in many other ways the value of the education given. The first Canadian school of this kind, embodying principles of consolidation was opened in Middleton, Nova Scotia, in 1903.

Rural Education

In dealing with a country like Canada, the educationist must always keep before him the fact that the vast majority of children in rural schools will be employed on the Land. It is, therefore, of the first importance to instil into their minds as early as possible in the school career a love of the soil and a knowledge of the principles which underlie successful agriculture. The rural school, therefore, must be the basis of all agricultural education.

In Canada, as in the older countries, it was unfortunately the case that the curriculum of the rural school was modelled upon that of the town school. There is little excuse for the methods of the town school; transplant those methods to the country and they are ridiculous. To combat these old ideas Canada's necessity found the men in Sir William Macdonald and Dr. J. W. Robertson. Sir William Macdonald was born in Prince Edward Island, and left home at an early age, and for some time was employed at New York. Later, turning his face to his native country, he settled in Montreal, and became interested in the tobacco manufacture just at the time when the existing conditions in the United States were favourable to his schemes. At this time he laid the foundations of the successful business which later on brought him a great fortune.

The moving principle of Sir William Macdonald's life was a deep love of his native land, and the will to forward her interests in every possible way where money could be of use. Amongst other things he observed that Canada needed for her future development a band of

trained engineers, and he forthwith provided the McGill University with a fully-equipped engineering building. This munificent gift was followed by the gift of a Physics building and a Chemistry building with an endowment for maintaining them. Sir William Macdonald was the Director of a great bank of Montreal whose policy has been to establish branch banks in prosperous farming communities for the purpose of receiving deposits. It was noticed that in the communities where creameries were located the bank deposits increased very markedly. Further inquiry into the success of these creameries at Prince Edward Island drew his attention to the fact that it was largely the work of one man. This man was James W Robertson. In 1898 these two men began to work together : Professor James Robertson providing the ideas and Sir William Macdonald the money, and both the enthusiasm, without which no great scheme can prevail.

A few words about Dr. Robertson's career may not be out of place here. Born in Dunlop, in the county of Ayr, he emigrated with his father to a farm near London, Ontario, when he was eighteen years of age. He soon gained more than a local reputation and later on gave up a business career to undertake the professorship of dairy farming at the noted college of Guelph. For four years he retained his professorship at Guelph, and for the last two years of his term he was retained as non-resident lecturer to Cornell. At the end of 1890, he was appointed Commissioner of Dairying to the Dominion.

Previous to 1900 many half-hearted attempts had been made to improve the usefulness of rural schools by introducing school gardens and out-door study. They had been made without plan, and were backed by no great driving force until in 1899 Dr. Robertson, in the course of his work was led to wonder whether the

farmer could be induced to take a more scientific interest in the selection of seed. He began modestly from his private purse with an offer of 100 dollars in prizes to Canadian boys and girls who would send him the largest heads from the finest ears of wheat and oats taken from their fathers' fields. The response was so enormously encouraging that he went to Sir William Macdonald with his scheme and his hopes, with the result that Sir William offered 10,000 dollars in prizes to boys and girls who would select the best heads of cereals and from them grow seed of their own. By 1903 the crop of spring wheat sown in this fashion was 28% heavier than that of 1900 from unselected seed. In oats the increase was 27%.

It will be understood that with magnificent prizes of this kind the children were not the only ones interested in the subject, although the figures mentioned referred to seed-grown plots operated by boys and girls under eighteen years of age; but their parents had been watching with keen interest the progress of the competitions, and this led to the Canadian Seed-Growers' Association, organised for the purpose of improving the crops of Canada. In 1906 it was estimated that these competitions were responsible for an increase in Canadian crops to an extent of half-a-million dollars. What is more to the point of this chapter, it also proved that children could easily be interested in agriculture.

Manual training was the next step in the history of this movement. Sir William Macdonald founded throughout Canada twenty-one manual training centres, attended by 7,000 children, and costing 3,600 dollars a month for teachers' salaries during the three years. The arrangement was, that at the end of the three-years' probation, the local authorities were free to continue the schools if they pleased. In every case the schools were taken over by the local authorities and additions made to

them. In Ontario, for example, the three Macdonald centres have grown to forty, in Nova Scotia more than twenty school centres have been built, and are being run by local funds.

Having set these training centres firmly upon their feet the next important step was to introduce into rural schools some form of manual training, and to make manual training effective it was desirable that Nature study, elementary biology, and elementary agriculture should become part of the school course. School gardens were provided to each five schools in each of the five provinces. Each group of five has a trained instructor who devotes one day a week to each school. His instruction extends both to children and to their teachers. The most useful lessons have been learned, the advantage of using selected seed, the desirability of the rotation of crops, and the steps to be taken to protect the crops from disease. At the school garden at Prince Edward Island, for example, the children reaped 32 per cent. more wheat from a crop sown with selected seed than from one sown with unselected seed. In most gardens, too, plots side by side were planted with potatoes, one being sprayed with Bordeaux mixture to keep away blight, and the other treated in exactly the same fashion except for the use of the Bordeaux mixture. The increase varied between 41% and 111% in favour of the potatoes which had been sprayed.

The effect of these schools upon the children was shown by the examination which took place at Ontario in 1906. In Carleton Co., of the candidates from schools without gardens 49 % passed, and from the five schools with gardens 71% passed. On all hands there was a consensus of opinion that so far from manual training interfering with book work, its effect was beneficial, thus vindicating the views of those educationists in England who had been striving in this direction for many years. Yet, in

spite of all that could be done for it in the way of private or public encouragement the rural school in the scattered district must necessarily be, in the nature of things, somewhat inefficient, and to overcome this inherent fault Sir William Macdonald tried the effect of consolidating a number of rural schools into one large school and transporting the children from quite considerable distances to the central school. Four consolidated schools were first founded in Ontario, New Brunswick, Nova Scotia and Prince Edward Island, with classes in manual training, household sciences, and nature study. In three years the cost of these schools was 180,000 dollars, and so evident was the improvement in the teaching gained and in the results obtained that now the consolidated school is rapidly taking the place of the small country school. Consolidation allows a certain amount of specialising on the part of the teachers. It allows the inclusion of special subjects such as manual training and agriculture. It allows of better pay and better prospects for the teachers, and it raises the whole system of education at once to a higher plane. In actual practice it has increased the daily attendance from 50% to 100%.

The Macdonald Institutes

With the organisation of these manual training departments in rural schools came the demand for well-trained teachers to supervise them, and this was met by Sir William Macdonald's generous foundation of two large buildings at the Ontario agricultural college at Guelph for the residence and the training of teachers. There are three departments in the institution. 1. The department of home economics which aims at teaching the vocation of home-making in a scientific fashion, and includes such subjects as physiology, cooking, sanitation, etc. Amongst its more practical subjects may be mentioned phycology,—the study of seaweeds—and among



CONSOLIDATED SCHOOL GARDEN PLOTS, GUELPH, ONTARIO

the theoretical, child study. The courses range from a three months' course in domestic science to a two years' housekeepers' course, or a normal course of domestic science for which diplomas are given.

The department of manual training includes instruction for teachers in that subject. The department of nature study trains teachers in the science of observation and in the best methods of bringing to the child mind that familiarity with the common things of nature which means so much to the rural dweller.

A short course of four weeks in the summer, when taken four successive years, qualifies the student for a rural science certificate. A two years' course qualifies for instructor in elementary agriculture and school gardens. The Macdonald Hall in connection with this, consists of a home for women students, capable of accommodating 110, who are charged for board and instruction $3.50 a week. Students who are not overburdened with this world's goods may partly defray the cost of their study in science by serving for four months as waitresses, at the same time receiving their board and lodging and the privileges of a full-paying student.

Returning after this excursion into the training of teachers to our main theme of the training of children, the next step on the educational ladder is the agricultural college. Naturally only a few of the students of the rural schools will ever reach the agricultural college; those who do, will be the pick of the elementary schools, and will have had a more or less thorough training in elementary nature study and manual training. The first provincial government to provide agricultural education for dwellers in its borders was Ontario. The Ontario agricultural college at Guelph was established in 1874 with the twofold object of training young men in the science and art of farming and of conducting experiments.

There has been a steady increase of students ever since the college was started, and in 1898 they numbered 920, and they now number about 1,000.

The volume of young men passing through an educational institution of this kind cannot fail to have a great effect upon the agricultural methods of the community, and it is a notable fact that in the last twenty years the amount produced by the land of Ontario has practically doubled and that without a corresponding increase in the acreage under cultivation. A farm of 400 or 500 acres is attached to the college, and the buildings and appointments are of the most complete character. Before admission to the college a student must produce proof of having spent at least one year at work upon a farm or of having a working knowledge of such ordinary farming operations as the care of horses, ploughing, and other ordinary operations connected with farming. He must, in addition, produce satisfactory evidence that he intends to follow either agriculture, horticulture, dairying, or some practical work connected with these pursuits as a means of livelihood. The greatest stress is laid upon this previous experience of farm life, and the aim of the school is not so much to teach a young man how to become a farmer as to teach the young farmer how to become a successful farmer. There are various courses of study, ranging from a stock and seed judging course of two weeks, a poultry course of four weeks, and a two years' course in agriculture leading to the Associate Diploma, and a four years' course leading to the degree of B.S. of Agriculture at Toronto University. The cost of the two years' associate courses ranges from 75 dollars to 100 dollars a year for a resident who works regularly in the outside departments and receives pay for doing so, and 100 dollars to 150 dollars a year for a non-resident.

The Field and Animal Husbandry departments of the college are special sections. The former has 50 acres of

land devoted entirely to experimental work, and students spend a good deal of their time on these fields observing the results of the experimental crops.

The animal husbandry department is also of the greatest importance, and specimens of fifteen or more breeds of horses, sheep and pigs are kept. So thorough has been the teaching of the college, that the trophy offered to teams of students from agricultural colleges has been won for two years at Chicago by the Guelph team.

Almost ever since its inception the college has been carrying on the most valuable experimental and research work in the laboratories and in the open air. Professor Zavitz, the chief of this department, has a world-wide reputation for his work on the improvement of farm crops, and more than 30,000 people come to the college every season to view the experimental field and growing crops. The most extraordinary care is taken in the selection of seed and the threshing of the grain, and no results are published until the experiment has been carried on for five years. The introduction of improved varieties of crops, the prevention of crop diseases and the great advances in the dairy industry which Ontario has been able to show in the last few years, are largely due to the results achieved by these experimental departments.

In connection with the work of the Guelph College is the experimental union which includes several thousand farmers. It need hardly be said that this conducting of field trials of manures, methods of cultivating of forage and grain crops has an enormous influence on the trend of public opinion regarding field-work. By bringing the combined experience of its thousands of members within the reach of other farmers it has been of inestimable benefit to the province.

Both Nova Scotia and Manitoba possess colleges of agriculture on a smaller scale, but with the same objects

in view as the Ontario College. That of Nova Scotia is non-residential, and is free to all. The courses are comparatively short, the longest being that which leads to the associate diploma which is obtainable in two years. Should a diploma student desire to go further he is received by other agricultural colleges as a "third-year man," and can proceed to the degree of B.Sc., after leaving Truro College. A great point is made at Truro College of the live-stock department which devotes itself to improving the admittedly inferior stock of the province. Connected with the college is a farm of 200 acres, an interesting part of which is the marsh land, of a kind very generally found in Nova Scotia. It is an admirable example of what can be done with very difficult land, and should tend to improve the not entirely satisfactory methods employed by the average farmer.

The Manitoba College at Winnipeg, although it was formed only five years ago, is capable of accommodating 250 to 300 students. The fees and cost of living are much the same as at Ontario, being round about 100 dollars for residence, books and tuition during the winter months from October to March. The province of Quebec had no agricultural college, and to the assistance of this province came Sir William Macdonald with the princely gift of the Macdonald College of St. Anne de Bellevue, whose aim it was to help the overflowing population of Quebec to a better knowledge of their occupations, to increase their prosperity, and to re-direct the practices and ideas of country life. The college is situated in a beautiful position overlooking the Ottawa river some twenty miles to the west of Montreal. The 560 acres in its possession are divided into three parts, consisting of the Campus, with experimental plots extending to 74 acres, a small cultures farm for cereals, husbandry plots, poultry-keeping, and horticulture, and the live-stock and grain farm of 387 acres. The fittings and apparatus of

the buildings, and indeed all the appointments are of the most astonishingly complete description, and could only have been supplied by private benevolence. There are three schools in the college: 1, the school for teachers; 2, the school of agriculture; and 3, the school of household science for women. In the first two schools the course is free to Canadians, and in the school of household science there is a nominal fee of 35 dollars per session, residents occupying a double room with single beds pay 3 dollars 25 cents a week for board and lodging, and the courses of instruction are on precisely the same lines as those we have already fully described in the Ontario college.

It is a special advantage that the school for teachers and the school for household science are run side by side with the school for agriculture, since both teachers and housewives if they are to be successful in Canada must be in the closest touch with agricultural problems. Some idea of the size of the college may be gathered from the fact that the floor space covers 15½ acres, and that the perimeter of the buildings is over a mile and a half, and the cubicular contents of the buildings is over 4,000,000 cubic feet.

The following is a list of the courses at the Manitoba College :—

1. Short course in stock and seed judging and in poultry-raising, fruit and vegetable growing. These courses give practical instruction to practical men and women.

2. Two-year course in agriculture. This course gives training in the several branches of agriculture to the boy who intends to remain on the farm.

3. Four-year course in agriculture, a course leading to the degree of B.S.A., given by the McGill University. A thorough and scientific course of training in animal husbandry, cereal husbandry, horticulture, etc.

4. A three months' course in household science which provides training in practical work in all branches connected with the home.

5. One-year home-maker's course in household science.

6. Two years' home-maker's course in household science. Courses 5 and 6 are planned to give the student a good foundation in the different branches of ordinary household work, supplemented by those scientific studies which have a bearing on the subjects of cookery, laundry, household art, hygiene, etc.

The Protestant Central Board of Examiners for the province of Quebec grants diplomas only to teachers in training at Macdonald College, who have received the necessary training. Three diplomas are given. 1. Elementary Class, studying for the Elementary diploma. 2. Kindergarten Class, studying for the Kindergarten diploma. 3. Model School Class, studying for the Model School diploma.

Before closing this most interesting section of Canadian life one must not forget to mention the farmers' institutes. These organisations, established in the province of Ontario for over a quarter of a century are to all intents and purposes farmers' clubs. They are assisted by grants from the provincial legislature and by grants from municipalities and counties. The object of these clubs is to bring together successful and unsuccessful farmers so that the latter may learn from their more skilled fellow-members the most profitable methods of farming, stock-raising, dairying, and so on, in short, all branches connected with the local agriculture. The money grants are given on condition that the membership reaches a satisfactory minimum, that at least five meetings are held every year, and that all moneys are spent within the district in which the club operates. The Superintendent of the institution is an official of the provincial department of agriculture, and he directs and advises the local

executive, arranges the administration of the funds, and provides lecturers for some of the meetings.

There are also women's institutions created by the Department of Agriculture with the object of spreading knowledge relating to domestic economy, sanitation, value of foods, etc., and generally with a view to raising the standard of health and intelligence of the people. These institutions have an official publication called the *Home Journal*, and judging by the excellent results achieved during the short time they have been in operation, are likely to be of enormous service to the women and so to the men of Canada.

Universities

The University of Toronto and McGill University, Montreal, are in the front rank of educational institutions on the American continent, and their renown as seats of learning, equipped and maintained according to a high standard of efficiency, has spread far and wide. They have on their staffs trained men of talent who have not only attained the highest distinction in Canada, but whose services have been sought by older and more richly endowed Universities abroad.

Educational facilities in the different provinces of the Dominion are numerous and always within the reach of those who seriously desire to avail themselves of the advantages offered. This applies not only to the Universities but also to the Common and Secondary Schools, and it speaks well for the educational zeal of Canada that there should exist as many as seventeen such institutions of varying degrees of importance, the majority of them being denominational in character.

Founded by Royal Charter in 1827 as a Church of England institution under the name of King's College, the University of Toronto has become undenominational, and is substantially supported by the Provincial

Legislature. Its revenues are derived from the remains of the original endowment and additions made to it from time to time (under which heads the University is possessed of an annual income of 60,000 dollars). The average Ontario Legislature also grants 50 per cent. of the Succession Duties determined upon the gross receipts from such duties during the three preceding years, the amount being at present some 250,000 dollars. While certain departments of instruction are classed particularly under the University College, it has been found possible by legislative enactment to secure a more uniform standard of higher education by the union of the various denominational Universities of Ontario. The University and University College constitute one body for teaching purposes, and examinations are carried on under the regulations of the University Senate.

The main University building was partly destroyed by fire in February, 1890, and many of the valuable contents of the Library and Museum were lost. Opportunity was afforded, in the course of reconstruction, for great improvements in equipment, heating, lighting and ventilation, and the new structure has been described as "The most symmetrical, the most harmonious, the most perfectly proportioned bit of architecture on the American continent."

Besides the fine Convocation Hall and Library there is a Physical Laboratory with a well-equipped workshop in charge of skilled mechanicians who make the necessary repairs and construct most of the apparatus required for the work of research duties. There are in addition, a Psychological Laboratory, a Biological building with museum (which latter is open to the public), a Physiological Laboratory, a Chemical Laboratory, Geological and Ethnological museums. A Gymnasium and accommodation for students' societies is also provided.

Federated with the University of Toronto are Victoria

University and the University of Trinity College. Knox College (Presbyterian), Wycliffe College (Anglican) and St. Michael's College (Roman Catholic) are also federated, while the undermentioned Colleges are affiliated with the University :—The Ontario Agricultural College, Albert College, The Ontario Medical College for Women, The Royal College of Dental Surgeons, The Toronto College of Music, The Ontario College of Pharmacy, The Western Canada College of Calgary, The Columbian Methodist College, The Toronto Conservatory of Music, The Hamilton Conservatory of Music ; the following are Colleges which are affiliated with the University by reason of their having been affiliated with Victoria University when the last mentioned University became federated :—The Ontario Ladies' College and Alma College, and St. Hilda's College which is affiliated with the University by reason of its having been affiliated with Trinity College when Trinity College became federated with the University.

The total revenue of the University for the year 1909 was 754,504 dollars, and the expenditure 679,867 dollars. Of the 3,901 students, 2,983 were men and 918 women. The total staff of the University of Toronto and University College numbered fifty-five professors, forty-four associate professors, thirty-one lecturers and associates, and two hundred and thirty demonstrators and those with sessional appointments.

McGill College and University takes its name from its founder, the Hon. James McGill, who emigrated to Canada from Glasgow before the American Revolution, and was engaged in the North-West fur trade, subsequently becoming one of the leading merchants in Montreal. A Royal Charter was obtained in 1821, but it was not until an amended charter was secured in 1852 and the Governor-General, Sir Edmund Head, interested himself in the institution that it started its career of

progress and prosperity. The Governors, Principal and Fellows of the University are by the amended charter constituted a body politic and corporate. The supreme authority of the University, however, is vested in the Crown, and is exercised by the Governor-General for the time being by which means the University possesses a National character, and is at the same time removed from any local or party influence. Educational work of the University is carried on in McGill College, the Royal Victoria College for Women and other university buildings in Montreal and in the following affiliated colleges :— Vancouver College and Victoria College, British Columbia, King's College for Women, Windsor, Nova Scotia, the Stanstead Wesleyan College, Stanstead, Quebec, the Congregational College of Canada, Montreal ; Diocesan College of Montreal ; Preston College, Montreal, Wesleyan College, Montreal.

The University has been generously endowed by wealthy citizens, notably Lord Strathcona and Sir William C. Macdonald, whose benefactions amount to many millions of dollars. The Library and Museum were the gift of the late Mr. Peter Redpath. The equipment on the applied science side is unexcelled.

Like the University of Toronto, McGill University has a splendid Agricultural College, more fully dealt with in another chapter, connected with it, known as Macdonald College, located at Ste. Anne de Bellevue, twenty miles west of Montreal, which was founded, equipped and endowed by Sir William C. Macdonald.

Another important and successful centre of learning is the University of Queen's College at Kingston, Ontario. Founded by Royal Charter in 1841, it has under the guidance of the late Reverend George M. Grant, as Principal, attained an enviable reputation for the inculcation of lofty ideals and the true spirit of University life. Like McGill, but unlike the University of Toronto, it has

no connection with the State, but is recognised as an integral part of the educational system of the province, and its courses of training for teachers are accepted by the provincial Educational authorities. The three faculties are Arts, Medicine, and Theology, the first and last being maintained from interest on endowment, fees and donations, the Medical Faculty relying upon fees only. A school of mining providing a training in Applied Science is affiliated. Women students attend the University, as in the case of many other similar institutions in Canada and the United States.

McMaster University was formed by the incorporation of the Toronto Baptist College and Woodstock College, which were united by an Act of the Ontario Legislature passed in 1887. Under the will of the late Hon. William McMaster the University came into possession of an endowment of $900,000. In 1888 the representatives of the regular Baptist Churches of Ontario and Quebec decided that McMaster University should be organised and developed as a permanently independent institution in Toronto, and that Woodstock College should be maintained, with increased efficiency, in Woodstock. By the generosity of Mrs. McMaster, a Ladies' College has also been established in Toronto in connection with the University, and is known as Moulton Ladies' College.

Laval University at Quebec was founded in 1852, but the Seminary of which it was the outcome was established in 1663 by Bishop Laval. This, the most important Roman Catholic seat of learning in Canada, has a branch at Montreal. A number of Colleges and seminaries in the province of Quebec are affiliated with the University. The University of Ottawa is another college under Roman Catholic direction but with a much smaller number of students. Created a University in 1889, it was founded in 1848 as the College of By-town, later receiving the title of College of Ottawa.

In the Maritime Provinces are the University of King's College, Windsor, Nova Scotia, founded in 1790; Dalhousie College and University, Halifax, Nova Scotia; the University of Acadia College, Wolfville, Nova Scotia; the University of New Brunswick, Fredericton, New Brunswick; the University of Mount Allison College, New Brunswick; and the University of St. Joseph's College, St. Joseph, New Brunswick.

The University of Bishop's College, Lennoxville, province of Quebec, founded in 1843, is an Anglican institution intended to provide the Church of England with facilities for educating the ministry as well as to afford a means of securing a sound and liberal education based on religious foundation.

The University of Manitoba at Winnipeg was incorporated in 1877 by an Act of the local legislature, and has sole power of conferring degrees in Arts, Law and Medicine. The following Colleges are affiliated:—St. Boniface College, St. Boniface (Roman Catholic), St. John's College, Winnipeg (Anglican), Manitoba College, Winnipeg (Presbyterian), Wesley College, Winnipeg (Methodist), the Manitoba Medical College, the Manitoba College of Pharmacy and the Manitoba Agricultural College.

This University, as well as those which have recently been founded at Saskatoon, Saskatchewan, and Strathcona, Alberta, will soon attain a greatly added importance by reason of the rapid expansion which is now taking place in Western Canada.

CHAPTER VII

Transport and Communication

The Grand Trunk Railway Company of Canada

The Session of the Parliament of the Province of Canada held in the sixteenth year of the reign of Her Majesty Queen Victoria was a most momentous one for the Province, for in that Session were passed a number of Acts with regard to the construction of railways, the principal of which were "An Act to incorporate the Grand Trunk Railway of Canada," and "An Act to empower any Railway Company whose Railway forms part of the Main Trunk Line of Railway throughout this province to unite with any other such Company," and from these two Acts arose the great corporation now known as the Grand Trunk Railway Company of Canada. Acts had been passed in previous Sessions as far back as 1832 authorising the construction of various sections of the line, but it was only under the powers of the Acts above quoted that the whole became welded into one undertaking.

On the 12th April, 1853, an agreement was entered into for the amalgamation of the Grand Trunk Railway Company of Canada East, the Quebec and Richmond Railroad Company, the Grand Junction Railway Company, the Toronto and Guelph Railway Company, and the Grand Trunk Railway Company of Canada, forming a main line through Canada from Sarnia at the foot of Lake Huron, through Toronto, Belleville, Kingston, Brockville, Montreal, and Richmond, to Quebec, with a branch from Richmond, to the United States boundary, a total distance, including the Victoria Bridge across the St. Lawrence at Montreal, of 964 miles. It was absolutely necessary for the purposes of Canada to reach the Atlantic

Ocean, and a lease was entered into of the Atlantic and St. Lawrence Railway, from the United States boundary to Portland, Maine, a distance of 148 miles, making a total length of line of 1,112 miles, and forming the longest railway in existence at that time under one control.

As showing the immense importance attached by the Government of the Province of Canada to the construction of this railway, no less than five members of the Government appear in the original prospectus as Directors of the Company, as well as the Speaker of the Legislative Council. The names also appear of Thomas Baring, Esq., M.P., and George Carr Glyn, Esq., M.P., as "Agents of the Province of Canada and Directors of the Company on behalf of the Canadian Government."

The prospectus estimated the cost of the construction of the consolidated railways, including the Victoria Bridge, at £9,500,000, of which it was proposed to raise practically one-half, £4,635,200 by debentures, and the remainder, £4,864,800, by share capital, on which it was estimated a dividend of 11½ per cent. would be earned. It was soon apparent, however, that the sum mentioned was insufficient to carry out the work, and in May, 1855, an Act was passed authorising the Provincial Government to aid the Company by way of loan to the extent of £900,000, and again in July, 1856, a further Act was passed giving aid to the Company to the extent of £2,000,000 again by way of loan on the security of preferential bonds.

With the opening of the Victoria Bridge in 1859 the undertaking was completed from Rivière du Loup to Point Edward (Sarnia), and in the following year the line from Port Huron, opposite Point Edward, to Detroit was leased by the Company, thereby giving access, by way of the Michigan Central Railway, to Chicago and the West.

FINANCIAL ADJUSTMENTS

The result of the opening of the line was not in accordance with the original estimates, and the financial position of the Company soon became seriously involved. A Commission was appointed by the Government, and a Committee by the Share and Bondholders, to inquire into the past working and present position of the undertaking, and the result was "The Grand Trunk Arrangements Act, 1862." That Act provided *inter alia* for the capitalization of all accrued interest on bonds or debentures already in arrear, the conversion of bonds and debentures into various preference stocks, and for the capitalization of the interest and dividend thereon when not earned for ten years from the end of 1862, and for postponing the payment of interest on the Provincial Debentures until after the payment of a dividend of 3 per cent. on the Ordinary Stock for ten years, and 5 per cent. afterwards. It also provided for the payment of the existing indebtedness by the mortgaging of the Postal and Military Revenue to be received from the Government, and the creditors received Postal and Military Bonds for £1,200,000 in payment of 50 per cent. of their claims—the balance being paid in Fourth Preference Stock, and power was also given to issue £500,000 of Equipment Mortgage Bonds for the provision and improvement of the line. Another important provision was included in the Act, and that was one transferring the Board to, and the holding of the General Meetings of the Company in London, they having previously been held in Canada; the Shareholders' Committee being of opinion that the proprietors were not, under the existing circumstances, in a position to protect their interests sufficiently. The Canadian Directors retired and the Board was re-constructed in London under the presidency of Mr., afterwards Sir, Edward W. Watkin, who had been called in by London Directors as expert adviser.

For the ten years after the passing of the Arrangements Act, 1862, the only matters of importance were the leasing by the Company of the Buffalo and Lake Huron Railway, extending from Goderich on Lake Huron, through Stratford to Fort Erie on the Niagara River opposite Buffalo, a distance of 160 miles, and the inception of the project for the construction of the International Bridge across the Niagara river between Fort Erie and Buffalo, which was begun in 1870, and completed in 1873 at a cost of over 2,000,000 dollars.

The earnings of the Company during this period were, from various causes, insufficient to provide the interest on the various preference bonds and stocks of the Company, except to a slight extent in one year, with the result that under the powers conferred by the Act, practically the whole of the interest had to be paid by the issue of stock, and added to the capital of the Company, which has since formed a serious burden on the undertaking.

Not only could the Company earn no interest on its capital, but the road and equipment had also considerably deteriorated.

One of the causes of lack of success of the Company was that the line was originally constructed on a gauge of 5 feet 6 inches, which prevented a free interchange of traffic with other railways, particularly those of the United States, which were constructed on the ordinary gauge of 4 feet 8½ inches, and it was felt that in any arrangements which might be made for improving the Company's position, it was absolutely necessary that the gauge should be changed to conform to that of the other railways. This was a stupendous undertaking, considering the financial position of the Company, involving as it did not only the changing of the gauge of 1,380 miles of railway, but also the provision of new rolling stock of the altered gauge, and the conversion of such of the old stock as was deemed worthy of it, as well as

practically relaying the whole of the track with steel rails. The task was, however, boldly undertaken, and it is impossible not to admire the courage and resource of those who at that time had the direction of the Company's affairs. To carry out the work it was, of course, necessary that further capital should be raised, but before this could be done it was essential that the preference bond and stockholders should abandon their right to the capitalization of their unearned interests. This was agreed to, and an Act was passed in 1873 authorising the issue of £10,000,000 of Ordinary Stock at a "discount not exceeding eighty-one pounds in the hundred pounds." The Act also contained provisions abrogating the power to debit interest to capital. The necessary capital was raised and the work carried out in the years 1873 and 1874.

The next important change in the affairs of the Company took place in 1879, when, owing to the action of the United States Companies, it became necessary for the Company to provide an independent access to Chicago, and this was accomplished by acquiring the control of various separate railways in the States of Michigan, Indiana, and Illinois, and uniting them under the name of the Chicago and Grand Trunk Railway, now known as the Grand Trunk Western Railway. To enable the Company to carry out this undertaking, the Company sold to the Dominion Government that portion of their system between Hadlow, near Point Levis, and Chaudiere Junction, and Chaudiere Junction and Riviere du Loup for 1,500,000 dollars, and that line now forms part of the Intercolonial Railway.

On the 12th August, 1882, there took place the amalgamation with the Great Western Railway of Canada, thereby adding over 800 miles of railway to the system in Canada, and, in addition, giving the Company the control of the Detroit Grand Haven and Milwaukee Railway

(189 miles) in the State of Michigan. The terms of the amalgamation provided that after the payment of the preference charges of both Companies the remaining profits of the undertaking should be divided in the proportions of 70 per cent. to the holders of the Share Capital of the Grand Trunk Railway Company, and 30 per cent. to the holders of the Share Capital of the Great Western Company, with a guarantee of a minimum of 3 per cent. to the holders of the Great Western shares—the capital of the two Companies being, of course, kept distinct—but in the year 1884 an Act was passed under which the capital of the two Companies was merged, the holders of the Great Western shares receiving in exchange for their 3 per cent. guarantee a stock ranking before the First Preference Stock of the Grand Trunk Company.

In 1883 an arrangement was concluded for leasing the Grand Trunk Georgian Bay and Lake Erie Railway, extending from Port Dover, on Lake Erie, through Simcoe, Woodstock, Stratford, Listowel, and Palmerston, to Wiarton on Georgian Bay, a total length of line of 168 miles.

In the year 1882 an Act of the Dominion Parliament was passed to consolidate the Toronto and Nipissing Railway, the Whitby Port Perry and Lindsay Railway, the Victoria Railway, the Toronto and Ottawa Railway, the Grand Junction Railway, and the Midland Railway of Canada, into one Company, under the name of the Midland Railway of Canada. These lines, with a mileage of about 450 miles, are all in the province of Ontario, north of the main line of the Grand Trunk Railway, and the united lines were leased to that Company on the 1st January, 1884.

On the 24th February, 1888, a further important amalgamation took place when the Northern, and Hamilton and North-Western Railways were incorporated

into the system. These railways extended from Port Dover, through Hamilton, to Collingwood, Toronto to Meaford, Colwell to Penetanguishene, and Beeton to Nipissing Junction, with a mileage of 482 miles.

In 1893 fourteen subsidiary companies, with upwards of 900 miles of line, which had been previously worked by the Grand Trunk Company under varied agreements, were amalgamated with the Company, thereby forming the Grand Trunk Railway Company of Canada, practically as it exists to-day.

In addition to the Controlled Lines already referred to, the Company by an agreement dated 1st May, 1899, acquired the control of the Central Vermont Railway, extending from St. John's, Quebec, to New London, in the State of Connecticut, with a mileage, including branches, of 536 miles, and on the 1st October, 1895, control was acquired of the Canadian Atlantic Railway, extending from Swanton, in the State of Vermont, through Coteau and Ottawa, of Depot Harbour on the Georgian Bay, a total mileage of 463 miles.

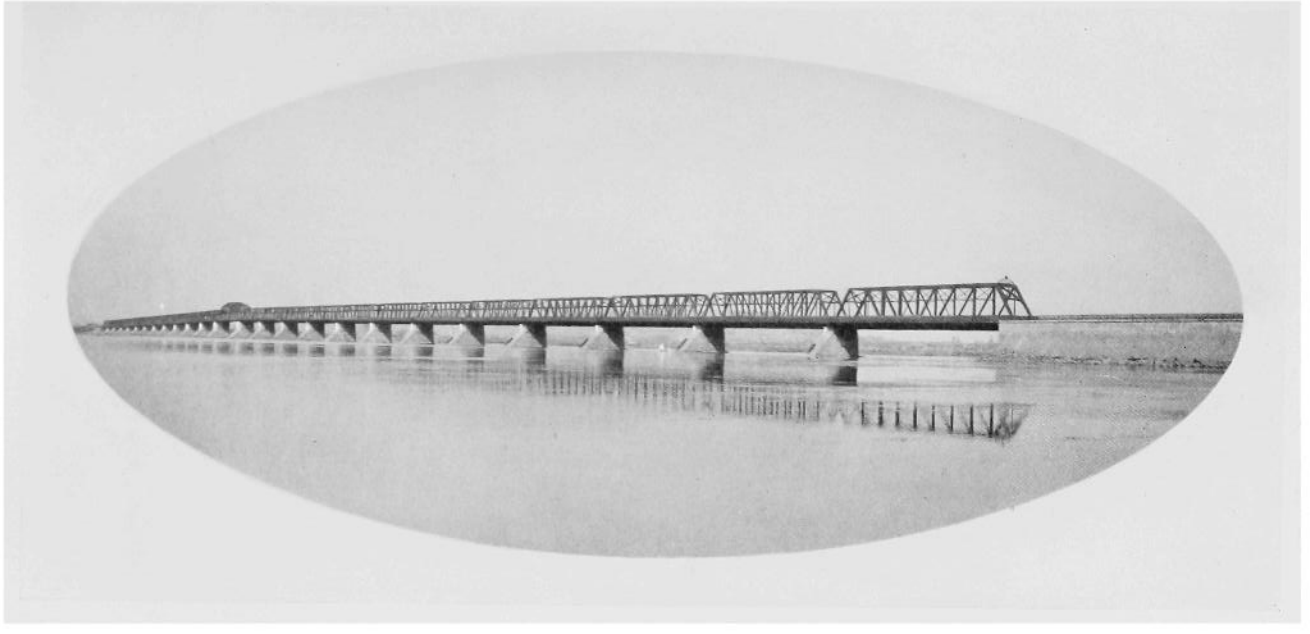
The railway was originally constructed as a single-track line, and continued as such, with the exception of a few small sections, until the year 1888, when the increase of traffic rendered it necessary that the main line between Montreal and Toronto should be doubled. The first section, from St. Henri to Dorval was opened September 17th, 1888, and the work was gradually continued until 1893, by which time it had been extended to Port Hope, a distance of 270 miles. The remaining distance between Port Hope and Port Union was completed in the years 1901-2-3—the distance from Port Union to Toronto having been previously double-tracked. This policy of doubling the track has been continued, the principal portions so doubled being from Toronto to Hamilton, 1890-1892; Hamilton to Suspension Bridge, 1901-3, and between Hamilton and Sarnia, 1903-4-5, and in

the years 1901-2-3 the Grand Trunk Western Line from Port Huron in Michigan, to Chicago, was also double-tracked. The total of the double-track mileage of the whole system, now in operation, is practically 1,000 miles, including one continuous track from Ste. Rosalie in the province of Quebec, through Montreal, Toronto, Hamilton, Sarnia, to Chicago, which constitutes the longest double-track railway in the world under one management.

The foregoing is a brief history of this first great railway undertaking in Canada from its inception as a line of railway 964 miles in length with an estimated capital required of £8,500,000, to a line of railway, including controlled lines, of 5,230 miles, with a capital of over £92,000,000. As showing the enormous increase in the trade and population of Canada in the interval, it may be stated that the receipts of the Company for the year 1860—the first year after completion of the railway as originally contemplated—were £682,658, whereas the receipts of the year ended 30th June, 1910, amounted to about £10,000,000. The number of passengers carried over the line during the year 1860 amounted to 739,498, compared with approximately 16,500,000 for the year ended 30th June, 1910, the number of tons of freight moved for the two periods being respectively 685,625 tons, and nearly 30,000,000 tons, which shows the vast benefits which must have been derived by the people of the Dominion from this, the earliest projected great railway in the Province of Canada.

Victoria Bridge and St. Clair Tunnel

No history of the Grand Trunk Railway would be complete without special reference to those great engineering achievements—the construction of the Victoria Bridge at Montreal, and the St. Clair Tunnel under the St. Clair river between Canada and the United States



VICTORIA BRIDGE, MONTREAL

from Sarnia to Port Huron. In the year 1859 there were no means of crossing the great St. Lawrence River throughout its entire length, except by the unsatisfactory means of ferry boats in the summer time, and by sleighs in the winter. In certain periods of the year, owing to the moving ice, even these modes of crossing were impracticable, but the construction of the Victoria Bridge gave, for the first time, the people of Canada a means of crossing their great river in comfort at any time. The railway ran from Quebec to Longueuil on the south side of the St. Lawrence, and from Montreal on the opposite side of the river westward to Lake Ontario, and it was, therefore, absolutely necessary that a connection should be made between the two sections of the undertaking by means of a bridge at Montreal. The construction of the bridge presented enormous engineering difficulties, the contractors having to contend not only with a deep and fast-running stream nearly two miles in width, but also from vast floes of ice, often seven feet in thickness, and from fifteen to twenty square miles in extent. The first stone of the bridge was laid 22nd June, 1854, and it was not until the 24th November, 1859, that the first train passed over the bridge, and on the 25th August, 1860, the bridge was officially inaugurated, and the last rivet driven by the Prince of Wales, afterwards King Edward the Seventh. The bridge was tubular in construction, and the following particulars may be of interest :—

Length of ironwork	6,592 feet
Total length..	9,144 feet
Number of piers	24
Number of iron tubes	25
Width of centre spans	330 feet
,, of centre spans	242 feet
Thickness of centre piers at summer water level	28 feet
Thickness of side piers at summer water level	18 feet

Material of piers	Limestone
Quantity of masonry (piers and abutments)	100,000 cubic yds.
Total weight of masonry	223,000 tons
Height of tubes	18½ to 22 ft.
Width of tubes	16 feet
Total weight of tubes	9,044 tons
Height from water..	60 feet
Grade of tubes to centre	1 in 130
Cost of bridge	$7,000,000

The engineers of the bridge were Messrs. A. M. Ross and Robert Stevenson, the builders were Messrs. Peto, Brassey and Betts, and the engineer in charge was Mr. James Hodges.

At the time of the completion of the bridge in 1860, it was considered the eighth wonder of the world, and was the admiration of all who looked upon it. In the course of time, the bridge, which was designed to carry only a single line of railway, became insufficient to meet the demands of the traffic, and it was necessary to replace the original tubes by an openwork steel bridge, with double lines of rails and carriage ways, and footwalks for pedestrians. It was found that the piers supporting the old bridge would, with very slight alterations, be sufficient to carry the new bridge, the construction of which was commenced in October, 1897, the name of the bridge being changed to the "Victoria Jubilee Bridge" in honour of the Diamond Jubilee of Her late Majesty Queen Victoria, which took place in that year, and on December 13th, 1898, the double track across the bridge came into operation. The construction of the new bridge was again a marvellous feat of engineering, the new girders being built around the old tubes with very slight interference to the traffic during the operation. The total length of time the bridge was closed amounting to only twenty hours during the whole of the time occupied in the reconstruction. While the iron in the old bridge weighed 9,044 tons, the iron in the new structure weighs

22,000 tons. The width of the old bridge was 16 feet, while that of the new bridge is 66 feet 8 inches. The height of the superstructure of the old bridge was 16 feet, and that of the new bridge is 40 to 60 feet. The total cost of the reconstruction amounted to about 2,000,000 dollars.

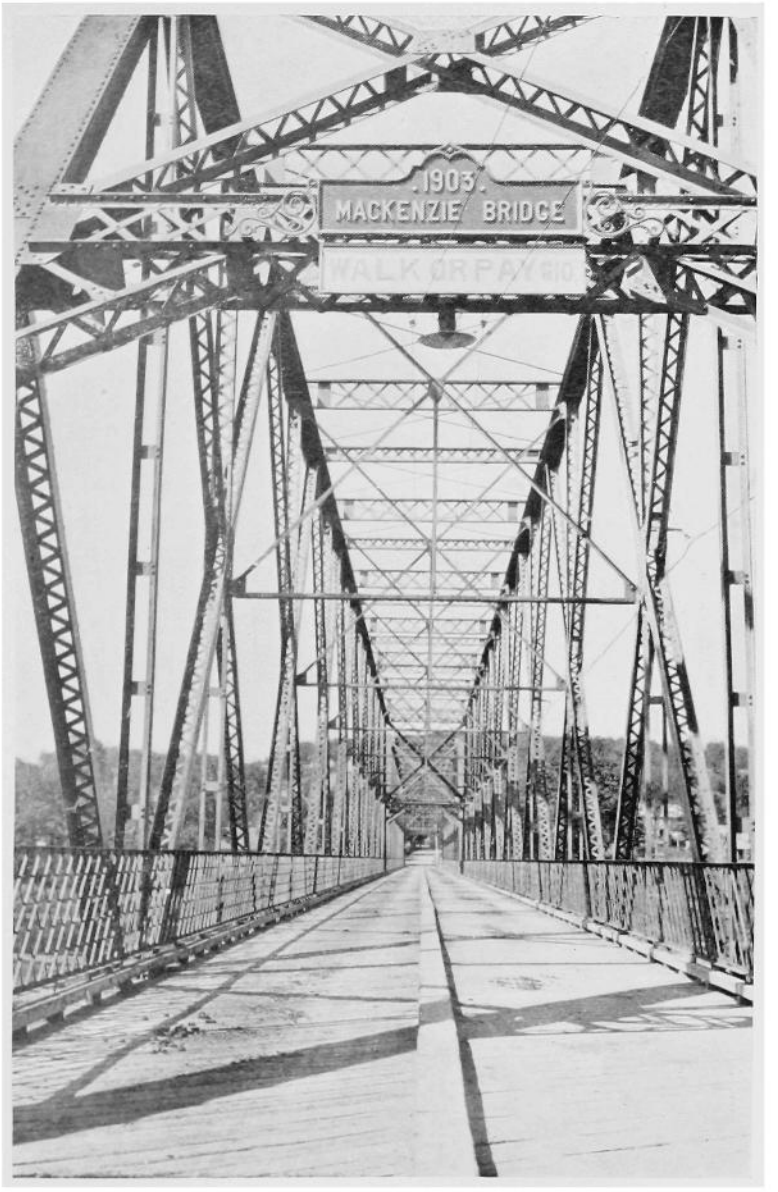
The St. Clair Tunnel, which in many respects is the most remarkable in the world, is appropriately termed "The link that binds two nations." It is constructed under the St. Clair River from Sarnia, Ontario, to Port Huron, Michigan, and over it flow all the waters of the great Lakes, which eventually reach the Atlantic as the St. Lawrence River. The construction of the tunnel was commenced in November, 1888, and the work finished on the 30th August, 1890, but it was not open for traffic until the 19th September, 1891. The actual tunnel itself under the river is 6,026 feet in length, and the approaches 5,600 feet additional, or more than two miles in all. It is a continuous iron tube, about 20 feet in diameter, of solid cast-iron plates, which were bolted together in segments as the work of boring proceeded, and the total weight of the iron used aggregated 28,000 tons. The work was begun at both ends simultaneously and carried on until the two sections met in mid-river. Throughout its entire length it perforates a bed of blue clay. The borings were made by means of heavy wrought iron shields with sharp edges, fifteen feet three inches long, and 21 feet 6 inches in diameter, driven forward by hydraulic rams, and as fast as the clay was cut away a section of the iron wall of the tunnel was bolted to its fellow section. The permanent way through the tunnel is laid with steel rails weighing 100 lbs. to the lineal yard, which rest upon cross-ties only six inches apart, laid on stringers, which in turn rest upon a bed of brick and concrete filling the bottom of the tube. The cost of this great tunnel was 2,700,000 dollars, and the

Canadian Government assisted the work by a subsidy of 375,000 dollars. Special locomotives having ten driving wheels, and weighing nearly 200,000 lbs., were built to haul the trains through the tunnel, and up the steep grade after emerging, but owing to the unsatisfactory ventilation of the tunnel it was decided in 1906 to substitute electricity for steam as the motive power for handling traffic through the tunnel, which system has proved a great success.

Canadian Pacific Railway

The Canadian Pacific Railway is an outcome of the Confederation of Canada; or, rather, of the admission of British Columbia into the Union, it being laid down, as one of the conditions on which that province entered the Dominion, that a railway should be constructed from the east of the Rocky Mountains to the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and that such railway should be commenced within two years from the date of the Union, and completed within ten years. To give effect to this condition, in 1872 an Act was passed by the Dominion Parliament, setting forth the terms and conditions on which a company might construct the road. Two charters were also granted, during the same year, giving powers to two groups of persons to construct such a railway.

As it was found not to be feasible to have two such railways under construction at one time, an endeavour was made to amalgamate them. This effort resulted in failure; and, acting under powers conferred by the Canadian Pacific Railway Act of 1872, a charter was granted to another company, with Sir Hugh Allan at its head. The circumstances under which this charter was granted were severely called into question in the Dominion House of Commons. Allegations of corruption



LONGEST SPAN OF ANY HIGH-ROAD BRIDGE, RICHMOND

were made, and acute political complications ensued, with the result that the Government of Sir John Macdonald resigned, and was succeeded by that of the Hon. Alexander Mackenzie.

An Act, repealing that of 1872, was passed in 1874, providing for the construction of a Canadian Pacific Railway, but reserving to the Government the right to build all, or any portion of the road, or to purchase any portion built by contractors. A route was chosen, and, under the policy of Mr. Mackenzie, the work was proceeded with as rapidly as in his view the circumstances of the country permitted, but work proceeded slowly; in fact, in 1899 only some 700 miles had been constructed.

The British Columbia Government and people were, as has been shown, naturally and greatly incensed at the non-realisation of the promise under which they entered the Union. Improved means of transportation were vital to them, and a fierce and determined agitation arose in the province. Protests were lodged at Ottawa, and the Premier of British Columbia went to England for the purpose of laying before the Imperial authorities the case for his province; eventually, terms of settlement were proposed by the Colonial Secretary, and agreed to.[1] In 1876, Mr. Mackenzie was beaten at the polls. Sir John Macdonald again became Premier, and it was decided to proceed vigorously with the construction of the road. Contracts were entered into, and the work was pushed forward.

Doubts had, since the inception of the line, been expressed in many quarters as to the wisdom of "Government" construction. These misgivings were shared by the administration itself, and eventually, in 1881, an agreement was entered into with a syndicate, under whose direction it was eventually built and

[1] This compromise was, however, found to be difficult of adoption, and was not fully acted on.

operated. The signatories to the Contract and Agreement were Sir Charles Tupper, Minister of Railways and Canals, for the Government of Canada, and Mr. George Stephen, Mr. Duncan McIntyre, Mr. J. J. Hill, Mr. John S. Kennedy, Mr. R. B. Angus, and Messrs. Morton, Rose & Co., and Messrs. Kohn, Reinach & Co. To this company was conceded, under certain conditions, those portions of the Canadian Pacific Railway already constructed, and, upon completion, those portions under contract. At this time, subsidies of $25,000,000 in money, and of 25,000,000 acres in land, were also given, as well as lands required for the road bed, stations, workshops, etc., etc. Subsequently, further substantial aid was given not only by the Federal Government, but also by Provincial Governments in respect of the construction of branch lines. Advocates of Government ownership point out that, in order to ensure the completion of the road, so much of the cost was eventually saddled upon the country, that it would have been in the public interest had the Government kept the enterprise in their own hands.

It was provided that the work should be carried on vigorously and continuously, and that the railway should be complete, and in running order, by 1891. The time given appeared then to be all too short for such an undertaking. Although construction in the prairie sections was comparatively simple, the Rocky Mountain section, and that on the north shore of Lake Superior, presented difficulties of a very formidable nature. The latter portion of the road ran through a waste of forest and rock and swamp, every mile of which had to be hewn, blasted, or filled up. The road through the Rockies was difficult, and that through the Selkirks proved well-nigh insurmountable. Progress, in spite of all, was rapid. Tremendous energy and indomitable perseverance were brought into play. What

seemed almost insuperable obstacles—both engineering and financial—were overcome, and on November 7th, 1885, six years before the date allowed for its completion, the last spike was driven by Mr. Donald Smith (now Lord Strathcona), and the steel highway across Canada was an accomplished fact.

The record of the Canadian Pacific Railway has been, despite occasional checks, one of marvellous prosperity. The Company has not confined its energies to the actual railway operations. Its activities are many and varied, and the name of the Company is synonymous in the Dominion for progress and efficiency. It has a very large telegraph system, a chain of luxurious hotels extending across the continent, first-class steamers on the great lakes, and the well-known steamship services from Great Britain to Canada, and from the Dominion to Japan and China. Money has been most wisely expended in the improvement of the road. Trestle bridges have been replaced by steel bridges, and the heavy grades in the Rocky Mountains have, at great cost, been much reduced. This work was essential, if a large and lucrative freight traffic is to be built up on this portion of the route. In addition, large sections are being double-tracked, and, at the present time, such a track is in operation between Fort William and Brandon, a distance of over 550 miles.

One of the principal items in the arrangement made in 1881 (to which strong adverse criticism has been directed) was the land grant to the Company of 25,000,000 acres. This grant, whatever else may be said —and much has been said !—had a vital effect on the policy of the Company, and gave the impulse to a colonising movement which is attracting to the country, in ever-increasing numbers, the land workers who are so essential to the progress of Canada. Of this grant, more than 12,000,000 acres have already been sold, and

a great expanse of what was once wild prairie is now closely settled. A vast irrigation system, the largest on the American Continent, has been introduced by the Company into the districts east of Calgary, turning the grazing lands of Southern Alberta into the "garden of Western Canada." On this land a fully-equipped demonstration farm has been placed at the disposal of farmers who desire practical instruction on the benefits or irrigation.

A still more recent development of this colonising policy has been the preparation of ready-made farms for British settlers. Under this scheme the Company builds the house and barns, digs the well, fences the land, breaks a proportion of the soil previous to the arrival of the settler from Great Britain, and this, in a large measure, saves him the hardships of pioneering. The "prepared farm" is sold to the settler on an easy instalment system, the payments being spread over ten years. The first batch of settlers under the scheme took up residence in 1910, and, judging from present reports, the scheme is likely to prove a pronounced success.

On June 30th, 1910, the total mileage of the Canadian Pacific lines in Canada was 11,003, and this figure does not include the recently acquired Dominion Atlantic Railway in Nova Scotia, amounting to 247 miles, in addition to running powers for forty-five miles more over the Inter-colonial Railway. The Canadian Pacific Railway taps the trade of every province except Prince Edward Island. The local industries of New Brunswick owe much to the enterprise of the Company, which is making vigorous efforts to further the colonisation of the St. John valley.

From Montreal, the headquarters and terminus of the Company, the two great transcontinental expresses, the Imperial Limited and the Pacific, begin their journey of 2,898 miles across Canada. From Montreal there is



ON THE PRINCE EDWARD ISLAND RAILWAY

also a direct line to Toronto, continuing to Windsor and Detroit, where the Wabash Railroad links the Canadian line with Chicago and the Middle West. From Toronto one can rejoin the main line at Sudbury by a track built through the Muskokas and the French River district. Sudbury is also the junction for the Canadian Pacific Railway line to Saulte Ste. Marie, where the "Soo" line makes the connection with Duluth and Minneapolis and St. Paul Railway. From Winnipeg, radiate no less than eight Canadian Pacific branch lines. The main line passes through Portage la Prairie, Brandon, Regina, Moose Jaw, and Medicine Hat to Calgary. Other branches are from Portage to Wetaskiwin, and the Calgary and Edmonton branch. This latter line is the great coal feeder of Northern Alberta, carrying a ceaseless procession of freight trains from the vast mines of the Crow's Nest Pass. From Calgary to Medicine Hat, for a distance of 150 miles, is the great 3,000,000 irrigation block.

This area is the embodiment of a compromise with the Government in respect of the land agreement. It was part of the bargain as regards the original land grant, that although the grant was to consist of alternate sections along the line of route, yet the Company had the right to reject such land as was not suitable for agriculture. In exchange for such rejected areas, the Company took over this solid block, a district which, as it stood, and in average seasons, was only fit for grazing, but which, under a system of irrigation, could be transformed into valuable agricultural land. The irrigation ditches have already been completed on a million acres, which area has been filled with settlers from practically nearly all the countries in the world. Branch railways in British Columbia are the Shushwap and Okanagan, from Mission Junction to the International Boundary Line, where connection is made with the Northern

Pacific Road, and from Westminster Junction to the important city of Westminster.

Born of a political brain, the Canadian Pacific has created for itself an economic life which its most ardent promoters never dreamed of. In a speech delivered at Montreal in October, 1907, Sir Thomas Shaughnessy, the President of the Company, made the following statement :—

"There are now in the service of the Company quite 74,000 officers and employees, with a monthly pay roll of 3,700,000 dollars, and of the whole number of employees I am safe in saying that 70,000 are located in Canada. Estimated on the ordinary basis of five persons to a family, these would represent 350,000 souls, or more than one-twentieth of the entire population of the Dominion, and if to these be added the men in rail and rolling mills, lumber mills, car and locomotive manufactures, and other industrial establishments who are engaged in the manufacture of materials in large quantities for the purposes of the Company, I should say that one-fifteenth, if not one-twelfth, of the people of the country, directly or indirectly, receive their income from the Company."

The early difficulties of the road are now but a dream. Its progress of late years has been wonderful. The shares were raised to a 10 per cent. basis in January, 1911. The gross earnings for 1910 showed an increase of no less than 18,676,170 dollars over the previous year, the net earnings being 10,884,000 dollars higher. Evidence is not wanting of the great progress made by the Company as regards its land holdings. The sales aggregated 975,030 acres, as compared with 376,046 acres in the preceding twelve months, while the average price received per acre was $1.32 higher. Extensions are proceeding apace. A lease of the New Brunswick Southern Railway for 999 years has been taken; the Dominion Atlantic Railway

has been acquired; a new line is to be constructed to develop the country in the neighbourhood of the Columbia and Kootenay Rivers, in British Columbia; and the construction of 553 miles of new branch lines in the agricultural districts of Manitoba, Saskatchewan, and Alberta is contemplated.

The line has many advantages. It has been stated that its capital liabilities, in proportion to its mileage, are less than that of any other well-known railway system in the world. It has been fortunate in those who have, since its inception, controlled its interests—men remarkable for their energy, integrity, and ability. Its future would seem to be bright. Emigrants are pouring into the Dominion in ever-increasing numbers, every one of whom is a certain customer of the railway. Manufactories are springing up in every direction, and the great natural wealth of the country is, as it were, hardly yet scratched. If the prosperity of the road is so great now, what must it become as years roll on, and Canada becomes, indeed, a nation? Yet, after all is said, this commanding position is the result, in a large measure, of the undaunted courage of those who, in the dark days of construction, when the whole fate of the enterprise was trembling in the balance, "nailed their colours to the mast."

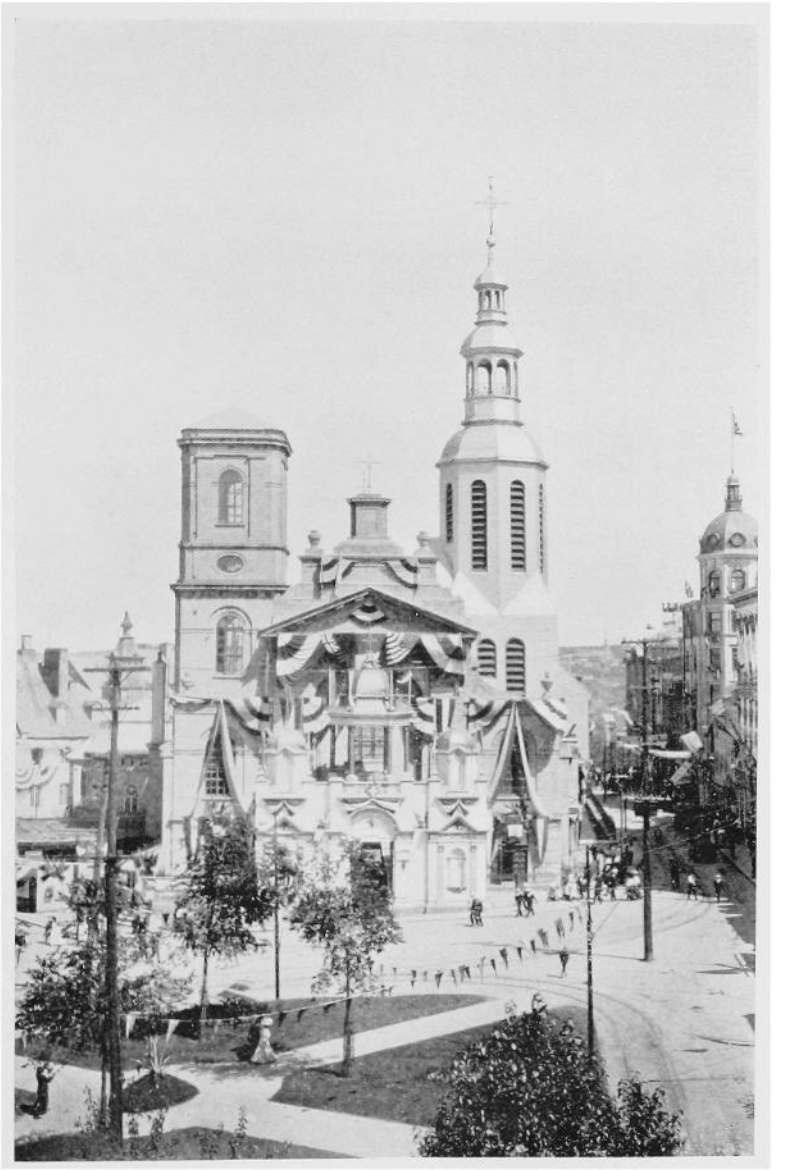
Canadian Northern Railway

A Dominion charter was granted in 1889 to a Railway Company to be called "The Lake Manitoba Railway and Canal Company." This charter, which had become derelict, was purchased in 1896, and from this small commencement has sprung that great line—destined, in the near future, to be one of three great Canadian transcontinental lines—now known as the Canadian Northern Railway Company. Much difficulty was experienced in financing the first piece of line. The project was looked at askance in the London market.

Although, as a matter of fact, the route traversed by it formed a portion of that over which it was originally intended the Canadian Pacific line was to pass; and, although persons well qualified to pass an opinion were loud in the praises of the wonderful fertility of the country, and its boundless possibilities, yet the fact that the road was destined to open up a territory north of any over which a railway had ever been built in the province of Manitoba militated against it. The difficulty was, however, overcome by the co-operation of the Manitoba Government, who guaranteed the bonds, and a railway was constructed from Gladstone to Dauphin.

The year after the line from Gladstone to Dauphin was built, the construction was begun of a line out of Winnipeg, the Manitoba and South-Eastern Company, which was to carry wheat to Lake Superior. Four hundred miles east of Winnipeg, there was in existence a piece of track running from Port Arthur towards Duluth, that belonged to the Port Arthur, Duluth and Western Railway Company. This road was bought, and a beginning was made to connect it with the Manitoba and South-Eastern, which was coming from Winnipeg to the Lake of the Woods. This linking up had to be undertaken in pursuance of the charter of the Ontario and Rainy River Railway Company. While these beginnings were being made in apparently haphazard fashion, property for terminals was secured in Winnipeg and plans prepared for an advance through the Saskatchewan valley to Edmonton.

The Lake Manitoba Railway and Canal charter was for a limited undertaking. Another charter, that of the Winnipeg Great Northern Railway, was purchased, and during 1899, in conformity with it, the original line was carried 195 miles beyond Gladstone. In the same year, the Manitoba and South-Western had reached Rainy River, and from Dauphin westerly, the first twenty-five



THE BASILICA, QUEBEC

miles had been built in the direction of the Saskatchewan valley.

About this time, it was decided to give the lines that would presently be connected, the name of the "Canadian Northern." Soon afterwards, and before announcement of the change had been made, the Northern Pacific, which had 351 miles of road in Manitoba, determined to abandon the field; and this decision eventuated in the acquisition of the Northern Pacific Lines in Manitoba by the government of the province, and the leasing of them to the Canadian Northern for 999 years, with the option to purchase at any time. This arrangement secured to the Company extensive terminals at Winnipeg, in addition to the lands already purchased, and furnished a line within eighteen miles of Gladstone.

In the first year of the present century the Canadian Northern Railway had 1,200 miles of line, and credit well established in London. In that year also this Company made connection between Winnipeg and Port Arthur, but the whole of the line was not taken over by the operating department until early in 1902. In June, 1902, the system comprised 1,248 miles of completed road, and included the Lake Manitoba Railway and Canal Company's line, the Winnipeg Great Northern, the Manitoba and South-Eastern, the Ontario and Rainy River and the Port Arthur Duluth and Western, together with the leased lines of the Northern Pacific and the Portage and North Western—the two latter comprising 355 miles, and the first train over the road from Port Arthur to Winnipeg arrived at the latter place in January of that year. Powers had also been obtained for the construction of railway lines from Quebec to the coast, and for a line across British Columbia to Victoria, via Bute Inlet. In the *Montreal Witness* of November 5th, 1902, Mr. (now Sir William) Mackenzie, the President of the road, discussed the plans of his Company. He said

they would shortly have 1,500 miles in operation, and would handle 15,000,000 bushels of wheat in the 1902-3 season, and would have largely increased elevator accommodation. With reference to the transcontinental ambitions of the Company, he stated they proposed going along quietly and steadily, and making each section pay its way. He added that " we can see the completion of the system to the Coast as an accomplished fact."

A measure was passed by the Provincial Government of Manitoba, during the session of 1903, guaranteeing the bonds of the Company up to 3,500,000 dollars, or at the rate of 10,000 dollars per mile, for the construction of branch lines of railway, a guarantee being provided for 2,000,000 dollars of equipment and rolling stock. During this year, the progress of the many projects connected with the Railway was very marked. The charter of the Morden and North-Western Railway was acquired, with a right of construction from Winnipeg to Morden, and from Morden across Manitoba to its western border. The Great Northern Railway of Quebec, running from Quebec to Hawkesbury, a distance of 225 miles, was purchased. This line had under construction branches which made its total length 370 miles, and had, also, traffic arrangements with the Canada Atlantic Railway to Parry Sound, and elevator and dock facilities at Quebec. Aid was also rendered by the Dominion Parliament at Ottawa. Resolutions were introduced in the House of Commons by the Minister of Railways in connection with the building of a road from Grandview, Manitoba, to Edmonton, Alberta. This assistance was to take the form of a Government guarantee of the principal and interest of the first mortgage bonds, debentures, or other securities of the Company, to the extent of 13,000 dollars a mile. In his speech the Minister stated that the country through which the Railway was to run was exceptionally fertile, and as promising a

substantial and paying traffic, and added that the road was needed by the people at once. That the Company still cherished their transcontinental ambitions was shown in an interview with Mr. William Mackenzie, in which he said :—" We have not commenced the construction of the eastern end of the road yet, but we are locating the line, and we hope in time to reach Ottawa, Toronto, Quebec and Montreal by our road, and we will probably put Quebec as near Winnipeg as Montreal is at present by the Canadian Pacific. Do we intend to establish a transcontinental line ? Well, we have been developing in that direction for some time."

During the year the Grand Trunk Pacific project was introduced into Parliament, and it was freely said that the across Canada idea of the Canadian Northern would be abandoned. In regard to this Mr. Mackenzie stated in the *Toronto Globe* that " It is hardly correct to say that we have abandoned our proposed transcontinental line, but it does look as though we would have to postpone the construction of a through line from the Atlantic to the Pacific."

During 1904 good progress was made. 252 miles were added and 441 miles constructed. From Port Arthur it, at the close of the year, traversed the rich mining and lumber regions of Thunder Bay and Rainy River into Manitoba, and then across the rich prairie lands of that province, by way of Winnipeg, to Dauphin, where one line went across Southern Saskatchewan, while the other line struck through North-Western Manitoba into Saskatchewan, almost to Prince Albert. The Railway had, all the time, been going ahead, not only in length of road, but also in earnings, the net earnings having increased by some 250,000 dollars over the previous year. Of the mileage operated at the beginning of the year, 353 miles were in Ontario, 930 miles in Manitoba, twenty-two miles in what was then called the North-West

Territories, and forty-three miles in the State of Minnesota. The President, in reference to the rapid progress in construction in the West, stated that they hoped to get into Edmonton in October, 1905, and into Prince Albert earlier in the year than that. In reply to a question as to their plans on entering British Columbia, he said, "You know, we expected at one time to be the favoured people to build this new transcontinental road. Now we must go along as best we can, and it may take a little longer than it otherwise would."

The year 1905 was very much like preceding years, so far as development was concerned. This was carried on with the utmost vigour; and, true to what had been laid down by Mr. Mackenzie, each section was made to pay its own way. The early completion of the Prince Albert branch was promised, and, among projected lines was one to Hudson's Bay, and the building of a further line to the Swan River country. Charters were also granted for the construction of various branch lines, and in the report of the Railway Commissioner of Manitoba it was said, "I am pleased to be able to state that the earnings of the Canadian Northern Railway Company during the year were adequately sufficient to meet all fixed charges, and for an efficient operation of the Company's lines." During the year a company called the "Canadian Northern Lands Company" was incorporated with a capital of 5,000,000 dollars for the purpose of selling 500,000 acres of the C.N.R. Co.'s land grant.

In the report of the Company describing the growth of the Western country, the President pointed out that the road gave a direct service to 77 per cent. of the people living in the villages, towns and cities of Manitoba. He stated that important centres of commercial distribution in the new Provinces of Alberta and Saskatchewan were to be served in 1905, instancing Prince Albert,

Battleford, Strathcona and Edmonton, and that there should be a very material increase in the merchandise carried in 1906. The number of passengers had increased over the previous year by 128,458 and the earnings therefrom 189,000 dollars; freight had increased by 259,311 tons, and the earnings by 649,147 dollars. The mileage operated in June, 1905, was 1,876 miles. On November 24th, amid much ceremony and local rejoicing, the railway entered Edmonton, the capital of Alberta.

The same tale of progress has to be told as the result of the operations of the Company in 1906. At the close of the fiscal year in June, there was a total mileage of 2,482 as compared with 1,876 in the previous year. The increase in passenger traffic was 60 per cent., in gross earnings on freight traffic, 46·62 per cent., and in tonnage carried 26·16 per cent. In the Annual Report of the Company it was pointed out that, while a large increase had been received from the movement of grain and traffic, and from the farming and immigration business, yet, the most noteworthy development was in the mineral traffic of the road.

The completion of the line to Edmonton and to Prince Albert marked an important stage in the history of the Company. The latter, in addition to shortening the route to Winnipeg and the east, opened up a large area of prairie land to settlers, and enabled the lumber mills at different points to dispose of their production, while the former developed a large increase in grain and traffic, as well as aiding in a large influx of immigrants. In consonance with the policy of the Company since its inception extensions took place, and the Qu'Appelle, Long Lake and Saskatchewan Railway was acquired, this line running from Regina to Prince Albert, a distance of 249 miles. The formal opening of the Railway from Toronto to Parry Sound took place this year, and the road from Parry Sound to Sudbury was pushed forward.

In connection with this line from Toronto to Sudbury, the principal and interest of debenture stock was guaranteed by the Ontario Government. At a banquet given in Toronto, the Vice-President of the Company stated that, during the ten years of their work, 132 towns with 60,000 people had been located, named and surveyed, along the lines of the Canadian Northern Railway, exclusive of tributary farming population and increased population of towns with more than one railway.

In common with other roads operating in Western Canada, the Company had troubles to encounter. Heavy storms were experienced in December, 1906, and in January, 1907, a great snowfall occurred, which was said to have been the heaviest in twenty-five years. Trains were held up in all directions, freight stopped all over the road, and a shortage of fuel led to much suffering. The Railway Company was severely criticised by municipalities and newspapers in respect of shortage of equipment; and it is recorded that, on April 14th, a train reached Edmonton which had left Winnipeg on March 28th. Speaking in connection with this matter, a high official of the Company said, "It is at least twenty-five years since such a severe winter has been experienced in the West, and no railway has been able to successfully cope with the conditions, although each road has done the best possible under the circumstances." These conditions aroused much opposition to applications by the Company for new Western lines, and, in the end, the questions of extensions were dropped for the time being. The approval of the Railway Committee was asked for the construction of branches in Ontario totalling 1,200 miles, and a great number of these were passed.

On June 30th, 1908, the mileage owned, leased or operated by the Railway totalled 2,894, and at the close of the year this had increased to 3,100. In an interview with the Press, Mr. Hanna, a prominent official, said

that the Company had 5,400 miles in the east and west, and that in Western Canada there had been placed on the map by the construction of these lines no fewer than 140 towns. In stating that the Company had 5,400 miles of road, Mr. Hanna included various interests and affiliated railways, such as the Canadian Northern Ontario Company, 298 miles; the Canadian Northern Quebec Railway, 262 miles; the Halifax and South Western Railway, 370 miles, etc., etc. An outstanding figure in the Western part of the progress of the Company was the upbuilding work in the development of towns and villages. Apart from the growth of established centres caused by the advent of the road, places like Dauphin, Gilbert Plains, North Battleford, Vermilion, etc., were actually created by it. The public aid given to the project was stated by the Railway Department Report of June, 1908, to have been as follows: Dominion subsidies, 5,066,346 dollars; Ontario bonuses or subsidies 2,422,500 dollars, and grants by municipalities 182,000 dollars. In addition to these sums, it was computed by newspapers that there were guarantees estimated at 35,000,000 dollars, and lands granted by the Dominion Government totalling 4,100,000 acres.

In 1909 the progress of the Railway was continued. 482 miles of road in five provinces were graded and brought into use, and 398 miles were graded for steel. In Ontario, during this year, a land grant of 2,000,000 acres was obtained for the construction of 500 miles of line between Sudbury and Port Arthur; the Government of Saskatchewan gave a guarantee of 13,000 dollars a mile for the construction in three years of 1,175 miles; a similar guarantee was given in Alberta for the construction of 920 miles; in Manitoba 210 miles were guaranteed at 30,000 dollars per mile, and in British Columbia arrangements were made for a Government guarantee of 21,000,000 dollars for 600 miles of Railway

from the mountains to the coast. These roads, carried the combination of interests well across the continent, the only missing link in the chain of connection being that between their Nova Scotia lines and the Canadian Northern in Quebec. Two steamers of over 11,000 tons each were purchased by the Company, and are now running regularly from Bristol to the Dominion, and it has been declared by the Vice-President that the completion of the Canadian Northern Railway to the Pacific Coast will see "first-class liners equal to any afloat" launched by the Company on both oceans. The gross earnings for the year were 10,581,767 dollars, as against 9,709,462 dollars in 1908, and the operating expenses 7,015,405 dollars, as against 6,676,775 dollars, and the last report of the Company, for the fiscal year ended June 30th, 1910, shows that the Railway earned in that period 13,833,061 dollars, as compared with 60,000 dollars earned in 1897 by the Gladstone to Dauphin line—the nucleus of the Company.

The construction and progress of the Canadian Northern Railway has falsified an axiom long held—that a line constructed and operated wholly within the prairie provinces could not pay. So far from this being the case, its earning power has increased with its construction, and Mr. (now Sir Donald) Mann, Vice-President of the Company, stated, in 1909, that although 2,500 miles west of the Great Lakes had been guaranteed as to construction by the Federal or Provincial Governments, no one of those Governments had, or ever would have, to pay a dollar on account of these arrangements. The immigration into the Western Provinces is very large, and is increasing year by year; making for increased traffic and prosperity for the road. The mineral resources on its route are boundless. Already a great and increasing business is done in this class of traffic. The coalfields of the North-West, immense deposits of iron ore in Ontario,

the Gowganda silver fields, immense sections of pulp wood, and mineral wealth of all description, are tapped by the Railway, and will unquestionably become, as years go on, an increasing and lucrative source of revenue. This will be added to, to a very large extent, when the extension into British Columbia is an accomplished fact, and with the placing of steamers on both oceans, and settlement increasing at as rapid a pace as at present, it needs to be no prophet to predict for the Canadian Northern Railway a future of the brightest.

It may not be out of place to repeat here what is, after all, a matter of common knowledge, the fact that the Canadian Northern Railway owes much, if not everything, to two men, Sir William Mackenzie and Sir Donald Mann. It was essentially their child. They inspired it, worked for it, and have fostered its growth in every possible way, and it is largely due to their initiative, doggedness and perseverance that the Canadian Northern is what it is to-day—a great Railway in a great country.

Grand Trunk Pacific Railway

The Grand Trunk Pacific Railway Company, which was incorporated by Act of Parliament in 1903, has undertaken the construction and operation of a line across Canada, from the Atlantic to the Pacific Ocean, of an estimated mileage of main line of 3,600 miles, in addition to several branch lines. A subsidiary company, having for its object the construction of branch lines, in addition to and including those provided for in the charter of 1903, was incorporated in 1906. This Company's charter authorises the construction of twenty branch lines of railway, of a total mileage of about 5,000 miles.

The road is being constructed in two portions, known as the Eastern Division and the Western Division, the former reaching from Moncton to Winnipeg, a distance

of 1,800 miles, and the latter from Winnipeg to the Pacific Ocean, a distance of 1,756 miles. The main line of the Eastern Division is being built at the cost of the Canadian Government, and to be leased to the Company, on completion, for a period of fifty years, and the branch lines are to be built by the Company. The rental payable by the Company to the Government for the use of the Eastern Division is a percentage on the cost of construction, it being provided that, for the first seven years of the term of the lease, the Company shall operate the road, subject only to payment of working expenditure; and that, for the next succeeding forty-three years, the Company shall pay annually to the Government, by way of rental, a sum equal to three per centum per annum upon the cost of construction of the division; excepting that, if, during the first three years of the period of forty-three years, the net earnings, over and above expenditure, shall not amount to three per centum of the cost of construction, the difference between the net earnings and the rental shall not be payable by the Company, but shall be capitalised and form part of the cost of construction, upon the whole amount of which rental shall be required to be paid, after the first ten years of the lease. By the terms of the lease it will be seen that the Company will practically have the free use of the railway for a period of seven years. In all probability, therefore, looking to the fact that no rental will have to be paid to the Government until the expiration of this period, the Company will probably have reaped a rich harvest from the traffic of the road before such payment falls due.

The Western division is being built at the cost of the Company, the Government, however, guaranteeing First Mortgage Bonds, to the extent of 13,000 dollars per mile on the prairie section, and for three-quarters of whatever the cost may be on the mountain section. The country

through which the prairie section will pass contains land known to be well adapted for the growing of wheat, which, in extent, is four times the wheat-growing area of the United States. This land, which is now being rapidly taken up by settlers, will furnish a large traffic for the Company as rapidly as it can be constructed, while the mineral traffic from the mountain section will undoubtedly prove a source of much revenue for the Company. A feature much in favour of the economical working of the road, is the low gradients over the mountain section.

The point selected for the Pacific terminus of the railway, namely, Prince Rupert, is situated within fifty miles of the southern extremity of Alaska, and is reached from the Pacific Ocean via Dixon Entrance and Brown Passage. Prince Rupert Harbour possesses some of the greatest advantages to ocean shipping that can be found along the entire Pacific coast. It has a direct channel passage leading into it of more than half a mile in width, and is sufficient in extent to accommodate a great quantity of shipping. The site of Prince Rupert is a picturesque one. The land slopes back gently for distances ranging from half a mile to two or three miles. Here and there the ground rises abruptly, while a shore line, five or six miles in extent, sweeps around the front of the city. It is situated about 550 miles north of Vancouver, and the new transcontinental railway will possess the shortest route from Liverpool to Asiatic ports. Prince Rupert lies in the centre of the salmon fishing industry of British Columbia, being in the immediate vicinity of a large number of canneries which ship their product throughout the world.

Of great advantage and benefit to this new enterprise is its relation to the Grand Trunk Railway Company of Canada, with its 4,800 miles of railway, on which is situated all the cities and the principal towns in Eastern

Canada, among the former being London, Hamilton, Toronto, Montreal, and Quebec, Halifax and St. John, the principal cities in the Maritime Provinces, with their growing population, and constituting the Canadian seaports on the Atlantic, which will be reached by the new railway, will be large and important contributors to its traffic. Not alone are these advantages confined to Canada, but situated on this great railway system are also the large cities of Chicago, Detroit, Toledo, Buffalo, and Portland in the United States. With this unrivalled position, the new transcontinental railway will at once become an exclusive partner, and from the beginning will be placed in possession of an enormous general traffic, already created and originating on the Grand Trunk Railway system, but hitherto being carried into the North-West over other lines.

An important feature in connection with the new railway is the fact that it will form the shortest route between Europe and Asia; and, when completed, there can be but little doubt that lines of steamships will be established on the Atlantic and the Pacific Oceans. The distance between the countries named will be shortened by two days' sail, this being made possible by the location of the Pacific terminus so much northerly of an existing port, thereby reducing the Pacific Ocean mileage.

The Grand Trunk Pacific Town and Development Company, a majority of the capital stock of which is held by the Grand Trunk Pacific Railway Company, has acquired land for eighty-six town sites, between Winnipeg and Edmonton, which have been sub-divided into lots and placed on the market for sale, and thousands of lots have already been sold. Thriving towns are springing up where a short time ago was but the bare prairie. The growth is especially noticeable at the division points or terminals, of which there are five between Winnipeg and Edmonton.

Train services are already established between Westfort, near Port Arthur, to Graham, a distance of 195 miles, and from Winnipeg to Edmonton (792 miles), while branches are operated irregularly for freight traffic by construction trains. Of the 1909 crop of the Canadian North-West grain, six millions of bushels were handled by the Grand Trunk Pacific to Portage la Prairie or Winnipeg for furtherance to the Lake ports. The Chairman of the Company (Mr. Alfred Smithers), at its half-yearly meeting in October, 1910, spoke in the most optimistic terms of the progress and prospects of the road. He said that they had at Fort William an elevator capable of holding 3,500,000 bushels of wheat, and capable of enlargement to take 10,000,000 bushels. At Winnipeg, the new station, which they were to share with the Canadian Northern Railway, was well advanced in construction, and he thought that it would be ready for traffic in the spring of this year. He had inspected the line between Winnipeg and Edmonton, and found the country through which it passed nearly all high-class wheat land. Several towns had already grown up on the route, containing from 1,000 to 2,000 inhabitants, as well as many smaller places. Mr. Alfred Smithers remarked, speaking of his visit to Prince Rupert, that when he was there, in 1907, it contained only 200 people, a wharf, and about a dozen houses. There were now 3,000 residents, banks, shops, stores, and several hundreds of houses. Another wharf had been built, and the shipping business had increased to a very large extent.

The Grand Trunk Pacific Railway Company unquestionably has a great future before it. Evidence is abundant that the wealth and prosperity of Canada is increasing year by year. The products of her boundless agricultural lands are in great and ever-growing demand in the "Old World." Her natural resources are vast and varied. Settlers are flocking in in large numbers,

both from Great Britain and the Continent of Europe, bringing with them not only their strong right arms, but, in many cases, considerable amounts of capital. The watchword of the country is "forward." In all this prosperity the Company will doubtless share, and there seems to be no reason why it should not, in the future, occupy as prominent a position in the Dominion as its great competitors.

Shipping on the Great Lakes

The Great Lakes, which term must be understood to apply to those belonging to the St. Lawrence system, are of such dimensions that they might well be termed inland seas. Lake Superior has a length of 420 miles, and its average breadth is 80 miles, the total area being 31,420 square miles. Lake Michigan is 345 miles in length, with an average breadth of 58 miles, and Lake Huron 400 miles with an average breadth of 70 miles. These figures relating to the three largest expansions will serve to recall the extensive area covered by the lakes and surrounded as they are by fruitful territories, it can be readily imagined that there is an enormous and rapidly growing fleet of trading vessels carrying cargoes of grain and merchandise to and from Canadian inland ports, and between Canadian ports and inlands ports of the United States, not to speak of the through transportation from the head of Lake Superior to the St. Lawrence.

The following statement shows the description, number and tonnage of Canadian and United States vessels trading on the lakes and rivers between Canada and the United States during the year ended March 31st, 1910 :—

		Canadian		
		Number of Vessels.	Tons Register.	Number of Crew.
Arrived	..	9,110	6,602,352	213,714
Departed	..	8,668	5,579,821	193,877
Total	..	17,778	12,182,173	407,591

	Number of Vessels.	Tons Register.	Number of Crew.
United States			
Arrived ..	13,809	5,482,007	149,921
Departed ..	14,694	6,099,498	149,127
Total ..	28,503	11,581,505	299,048
Total			
Arrived ..	22,919	12,084,359	363,635
Departed ..	23,362	11,679,319	343,004
Total ..	46,281	23,763,678	706,639

As compared with the total of 23,763,678 tons it is interesting to note, as showing the growth of the lake shipping trade, that the total tonnage in 1868 was 8,663,500 tons, in 1900 12,739,000 tons, and 1905 16,689,365 tons.

Port Arthur and Fort William, towns in close proximity to each other in Thunder Bay, are two of the most important ports on Lake Superior, and are the outlets for the volume of grain exports from the fertile areas of Manitoba, Saskatchewan and Alberta, which though huge are still only at their beginning. The Canadian Northern Railway Company owns two grain elevators at Port Arthur with a capacity of between three and four million bushels each. There is another, "King's Elevator," in the same town owned by a private company on the line of the Canadian Pacific Railway, with a capacity of 800,000 bushels. The Canadian Pacific Railway, also owns and operates three elevators at Fort William, all of which are of large capacity, and others there are owned by the Ogilvie Flour Mills Company (500,000 bushels), the Empire Elevator Company (1,750,000 bushels), the Consolidated Elevator Company (1,000,000 bushels), and Davidson, Smith & Company (75,000 bushels). At Keewatin, Ontario, the Lake of the Woods Milling Company have two large elevators of 750,000 and 550,000 bushels respectively, and at Kenora there is one owned

by the Maple Leaf Flour Mills Company of 400,000 bushels capacity. These two latter are milling elevators as distinct from terminals. For the most part the grain collected by the 1,469 smaller or gathering elevators and warehouses in the three prairie provinces is eventually forwarded to these terminal points and is shipped eastward by the Lake route, the bulk going to Georgian Bay and Lake Huron ports, Montreal, Kingston, and Prescott, although in the crop year 1908-9, seventeen and a half million bushels went to Buffalo and other United States ports. In 1908-9 a total of 65,237,160 bushels of grain was shipped by vessel from Fort William and Port Arthur.

The number of Canadian vessels carrying grain is eighty-one, and the quantity of grain carried in them to Canadian and American ports during the crop year 1908-9 was 60,000,000 bushels. Sixty-six foreign-owned vessels were also engaged in the trade, carrying a total of nearly 19,000,000 bushels. Of these total quantities 54,695,214 bushels of grain were carried in Canadian vessels to Canadian ports.

Next in importance to Port Arthur and Fort William comes Sault Ste. Marie (commonly known as "The Soo") at the point where Lake Superior connects by means of the St. Mary's River with Lake Huron. To overcome the obstruction to navigation caused by the river rapids and a fall of twenty-two feet in three-quarters of a mile there are two canals, one on the American side, and the other constructed through St. Mary's Island on the north side of the rapids, which gives communication on Canadian territory between the two lakes. In the year 1909 the total movement of freight on the Canadian canal was nearly 28,000,000 tons, carried in 6,331 passages of vessels, the number of lockages being 5,046. This tonnage is more than twice that passing through the Suez Canal.

The cost of the canal was between three and four

million dollars, but as will be seen by the figures given above its importance to Canadian navigation cannot be over-estimated.

Major George W. Stephens, the President of the Montreal Harbour Commissioners, is authority for the statement that the magnitude of the inland business carried to and from the Lake terminals (Port Arthur and Fort William) has created a water-borne commerce aggregating 225 billion tons per annum, carried in craft valued at 233,000,000 dollars, and costing to transport less than one-twelfth of one per cent. per ton per mile. He has further stated that to move this vast volume by rail would probably cost not less than nine times the water rate and urges that this is an unanswerable argument for the wise development of the Canadian water routes and termini.

Other Canadian ports of importance on the lakes besides those already mentioned, to which grain shipments are made, and where there is elevator accommodation, are Owen Sound, Midland, Depôt Harbour, Collingwood, Point Edward, Meaford, Goderich, Port Colborne, Thorold, Port Stanley, Tiffin, Toronto, Prescott and Sarnia.

With the excellent railway facilities existing in eastern Canada and in the adjacent States of the American Union, it will be readily understood that there are many connections by ferry across the lakes, and there are besides many steamship services for general freight and passenger traffic. These are too numerous to specify, but mention must be made of the Canadian Pacific Railway Company's Lake service between Owen Sound and Sault Ste Marie, and the Richelieu and Ontario Navigation steamer service.

The Great Lakes are open for navigation from about the middle of April until about the middle of December, and their waters do not freeze in winter except at shallow points along the shores. The Dominion Department

of Marine and Fisheries enters into contracts with local firms to keep open the harbours of Port Arthur, Fort William and West Fort William until December 17th in each year by ice-breakers, and to open these harbours each spring so as to admit upward bound vessels to enter as soon as the Sault Ste Marie Canal is open for navigation.

Contracts are also made to keep open the harbours at Midland, Tiffin, Parry Sound, Depôt Harbour and Collingwood until the close of navigation in each year.

Tidal and current surveys, and the provision of aids to navigation in the form of lights, buoys, etc., are also undertaken by the Government in the interests of Lake shipping.

Canal Systems

In the St. Lawrence River and the Great Lakes, Canada possesses apart from other navigable rivers, a magnificent system of waterways which have been rendered more valuable as a means of communication and transportation by an elaborate system of canals. The importance of establishing such a canal system can be readily seen from the fact that through water navigation with a minimum depth of fourteen feet is possible from the Atlantic Ocean to Port Arthur and Fort William on the western shores of Lake Superior, as well as to Duluth and Chicago. The distance from the Straits of Belle Isle to the two first named places is 2,233 statute miles, to Duluth 2,357, and to Chicago 2,289 miles.

The canal system under the control of the Dominion Government by which this means of communication is made possible is made up as follows :—

	Length in Statute Miles.
1. Lachine Canal	8½
Lake St. Louis and River St. Lawrence ..	16
2. Soulanges Canal	14
Lake St. Francis and River St. Lawrence ..	33