

SIR R. L. BORDEN'S HISTORIC SPEECH

(Continued from page three)

strict, so far as he is personally concerned, would shrink from. In connection with the two members of Parliament to whom I have already alluded in relation to their connection with these matters, I think it is my duty to say a few words. I sent for Mr. A. De Witt Foster and asked him as to his connection with this matter, and why it was that he permitted himself to act as purchasing agent for the Government of this country. It is only fair that I should give to the House his side of the story, although I am bound to say that it was not satisfactory to me. He said that the country of Kings, N. S., which he represents in this Parliament, largely depends upon the apple crop; that there was no market for apples last autumn and that the people thought there might be some distress; that a great many persons in that country and elsewhere in Nova Scotia had horses which they might sell and that his constituents thought that it was not fair that horses should be purchased in other parts of the country where the conditions were better than they were in the Annapolis valley and elsewhere in Nova Scotia, and that they should not be purchased in that province. He said that he went to Col. Neil, the principal veterinary officer, and told him of this, and that Col. Neil informed him that the horses were being provided elsewhere, that no horses could be purchased at that time in the Maritime Provinces that the matter was urgent; that arrangements had to be made elsewhere and that they had been made elsewhere; and that was an end of it. On the following day, Colonel Neil telephoned him that some 600 horses were not available and that he would be very glad to have them purchased in the Lower Provinces; and he asked whether Mr. Foster would see that they were purchased with the least possible delay, and that the matter was urgent and it had to be done once. Mr. Foster says he embodied the substance of that conversation in a letter which he addressed to Colonel Neil and the next day he accepted the duties and proceeded to discharge them. So far as Mr. Foster's connection with the matter is concerned, it should also be taken into

consideration that he is a very young man, one inexperienced in business, and that he is not shown to have profited in any way by the transaction. But I am bound to say that his explanation to me of his undertaking the duty and his explanation—if it could be called an explanation—of his failure to supervise in the most careful manner the expenditure of that money and to bring back to the Government an exact account, with vouchers of every dollar that had been expended, must be regarded as far from satisfactory.

As far as the member for Carleton County, Mr. Garland is concerned, I have already alluded to the purchases by Mr. Powell. Mr. Garland was the owner of the business which is now carried on by the Carleton Drug Company, as I understand. The business was transferred to an incorporated company, and I think we may fairly assume, without doing any injustice to Mr. Garland, that he is the principal person interested and concerned in that company. He had in his employ a young man who was devoting 12 or 14 hours a day to his duties and who received a salary of \$75 a month. He not only permitted, but he encouraged and assisted that young man to make a contract with the Government under which, within a few weeks, he acquired a profit of \$9,000. I cannot at the moment give my sanction or approval to a transaction of that character, because to say the least, it tended to arouse a very grave suspicion; and a member of Parliament, in respect of contracts with the Government, ought to keep himself absolutely above suspicion. Therefore, in respect of the hon. member for Carleton and in respect of the hon. member for Kings, N. S., I feel that it is as a duty to the Government of which I am the head, to the party of which, in federal affairs, I am the leader, and to this House and to this country, to express, as I do here express, my very grave disapproval of their conduct in respect of the matters which have been under investigation by the Public Accounts Committee.

I return to the question of what may be done by the Government to make it absolutely sure, that there shall be given to the people of this country absolute safeguards as to the public expenditure. It is perfectly true that, so far as the investigation by the Public Accounts Committee is concerned, nothing has been disclosed—so far as I am aware and I speak subject to correction—in respect of transactions other than those which occurred during the first six or eight weeks of the war. But, nevertheless, I realize and I think all members of the Government realize, that that department was not organized to perform the enormous amount of work that is imposed upon it at the present time. What has been the course taken by the Mother Country under similar conditions? In respect of this matter and in respect of other matters, the course taken by the Government of the Mother Country has been to call to the aid of the Government the best business ability of the country. The business men of that country have responded and splendid results have been obtained in the Mother Country for that reason. The Minister of Militia himself, it is only justice to him to say, at least two or three months ago brought this question before Council and urged upon Council the advisability of having his department assisted in this regard by a committee of three business men. A committee was formed, the Chief Inspector of Arms and Ammunition, and Lt. Col. F. D. Lafferty, R. C.A., Superintendent of the Dominion Arsenal, representing the Department of Militia and Defence.

I have asked the chairman of that committee to prepare a report of their work for the purpose of showing what can be done by a business organization of this kind, by the co-operation of business men in this country. A report has been prepared by Mr.



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E. Carnegie, who has had experience in work of this kind in the Mother Country, he was appointed Ordnance Adviser of this committee. Having met him, I desire to bear my testimony to his ability and efficiency, which I think are very great. I would not care to read this memorandum, but if my right hon. friend would peruse it, I would like to have it included in Hansard as part of my speech. The report comprises a great deal more than can be made public. The tables and statistics which were attached to it I have necessarily omitted, because we would not even ask the War Office for permission to publish them. I have struck out a few words in one place and made a few eliminations of matters that I thought, in the public interest, ought not to be made public. But, subject to that, I would like to give the report to the House, and I think hon. members will find it of interest. The report is as follows:

Report on the Formation and Work of the Shell Committee by David Carnegie, M. I. C. E., Ordnance Adviser

To Sir Robert Borden, Prime Minister of Canada, Ottawa, Ont.

Introduction. Soon after the declaration of war, the hon. Minister of Militia, General Hughes was asked by the British Government to place contracts on their behalf, for arms and ammunition, with the United States.

After having arranged certain contracts there for small arms, etc., he received an inquiry for 200,000 shrapnel shells, empty, in equal numbers of eighteen and fifteen-pouncers.

Knowing that it would take about eleven years to complete such a contract in the Dominion arsenal with their existing equipment, he conceived the idea of utilizing the engineering factories throughout the Dominion for shell manufacture and immediately set in motion forces to accomplish this object.

It was with some reluctance that the manufacturers, at the call of the minister, responded to his suggestion, even though at that time many of their factories were practically idle.

The remarkable ability shown by the various manufacturers in converting their machine tools rapidly to produce shells of the highest quality, not only surprised the Minister of Militia and these instructed by him to direct the manufacture, but convinced him that this new industry of the Dominion should be developed.

As a result, the following manufacturers were called to Ottawa to meet General Hughes, on the 2nd of September, 1914:

Col. A. Bertram, of Messrs. J. Bertram Son & Co., Dundas, Ontario; Geo. W. Watts Esq. of the Can. Gen. Elec. Co. Toronto, Ontario; The Ingersoll Rand Drill Co., of Sherbrooke, Que.; Goldie, McCulloch Co. of Galt, Ont.; E. Carnegie, Esq., of the Electric Steel & Metals Company, Ltd., Welland, Ont.

At a meeting of the above, the whole question was fully discussed. Lt. Col. Lafferty described in detail the manufacture of the shells and their component parts, and Col. Greville Harston dealt with the system of inspection, drawings and specifications were shown and explained, after which the meeting assured that the work could be done in Canada.

On the 8th of September, 1914, at a meeting held by the minister at the Dominion Arsenal, the following committee was appointed to organize the work throughout the Dominion: Colonel A. Bertram, Chairman; Thomas Cantley, Esq., Geo. W. Watts, Esq., E. Carnegie, Esq., representing the manufacturers; Col. T. Benson, Master General of Ordnance; Colonel Greville Harston, C. I. Arms and Ammunition; Lt. Col. F. D. Lafferty, R. C.A., Superintendent of the Dominion Arsenal, representing the Department of Militia and Defence.

Lt. Colonel Lafferty undertook the technical instruction of the manufacturers in shell construction, and it was decided that the examination and inspection would be carried out by the chief inspector of arms and ammunition.

About two weeks after the organization committee, Mr. David Carnegie, of London, Eng., was appointed by the minister as Ordnance adviser to the shell committee. When it is recalled that at the time in question, the Minister of Militia was engaged in the colossal task of raising, training and equipping a contingent of Canadians for the "front," it is remarkable that he should have found time to think of the matter which was idle and to devise such an efficient means of helping them and the British War Office. It is somewhat flattering to find that the British Government has recently followed similar plans for utilizing the manufacturers throughout England for the manufacture of shells.

The minister in selecting manufacturers to work with officers of his own department, combined the commercial and technical ability requisite and the results of his choice have proved already eminently successful.

To Col. Bertram belongs the praise for the harmonious and efficient work of the committee.

3—Work of the Committee

The work of the committee in the early stages was that of formulating definite plans of procedure. They determined that, as far as possible, all the materials employed in the shells should be made in Canada; up to that time, for instance, no Canadian steel had been used for the production of ammunition.

To Colonel Cantley the committee is under obligation for having rapidly installed and equipped plant for producing the first steel made in Canada for shell manufacture.

With the exception of the copper bands all parts of the shells now produced are made in Canada, and it is hoped that, before long, these also will be included amongst the Canadian industries.

Another important decision made by the committee was to supply to the shell manufacturing manufacturers all the component parts of shell free of charge. By this means many of the smaller manufacturers have been relieved of the financial strain of carrying a heavy stock of raw materials.

It was also decided that uniform prices would be paid for the same articles, thus eliminating unhealthy competition with its risks of faulty workmanship.

Perhaps an equally important decision was the appointment of an inspection company to deal with all the entire responsibility of inspection from the shell assembling manufacturers and has also given the shell committee the opportunity of satisfying themselves beyond any doubt that the component parts of shells are correct before the finished shell passes into the hands of the Government inspector.

Many other minor details regarding insurance, shipping, financing, etc., were decided, which have proved to be of great help in carrying on the work of the committee.

4—Executive Work

The executive work of the committee has been very wisely entrusted to the chairman, Colonel Bertram, who reports weekly to the Minister of Militia, and also to the committee monthly or more often, at the call of the minister.

The work consists of controlling what might be regarded as a huge combination of factories, in which various contracts are being executed to British War Office specifications, which entails constant attention and enquiries regarding the selection of suitable factories, the placing of contracts, instructing manufacturers in the art, inspecting the parts made, and the payment and auditing of accounts, etc.

Before contracts are placed, the ability of the firm to carry out the work is fully investigated. If there is any question as to their plant being unsuitable, a competent inspector is sent to report upon the state of the factory.

To safeguard the interests of the committee and to insure the work being carried out in accordance to promise, contracts are placed subject to cancellation, if not carried out promptly.

Each manufacturer is supplied with a set of inspection gauges as a guide in making the manufacturing gauges required. They are kept to check the working gauges and are the property of the committee.

The preparation of drawings of the gauges for the various component parts of the different shells manufactured and the preparation of gauges and their distribution and use involve a considerable amount of labour.

The inspection of the various component parts, including the analyses of material, various physical tests calling for the employment of over 146 inspectors, besides four chief inspectors show in some measure the nature and extent of this part of the work. Most of the inspectors employed are experienced machinists and tool makers who can be trusted to carry out the work thoroughly.

On receipt of a certificate that the shells have passed examination and have been packed ready for shipment, payment is made to the manufacturer. A chartered accountant recommended by the general manager of the Bank of Montreal, checks the accounts of the committee every month. These are then forwarded to Mr. J. W. Borden, chief accountant for the Militia Department. It might be said in passing that the committee's accounts have expressed himself in gratifying terms of the highly efficient way in which the accounts of the committee are kept.

5—Shell Contracts

When it became generally known that shells were being manufactured successfully, the demands for contracts from all classes of manufacturers were very numerous, and it became necessary to inspect the factories to decide which were suitable for undertaking the work. Visits were made to them and it was found that a large number of additional factories could be usefully employed.

The Ordnance advisor reported this matter and indicated how many more shells could be undertaken. The Minister of Militia called a meeting of the committee at Ottawa and, after discussing the matter, cabled to Lord Kitchener, pointing out that much larger contracts could be undertaken by the manufacturers in Canada. He emphasized the fact that many works were standing idle in the Dominion, while contracts were being placed in the United States for shells by the War Office. This resulted in additional contracts for 18-pr. fixed ammunition, complete without fuses and empty 18-pr. shrapnel shells.

It was proposed by several of the manufacturers that a deputation from the committee should be sent to the War Office, London, to put their claims before the Secretary of State for War. The Minister of Militia decided, on the recommendation of the committee, to send Mr. David Carnegie, as he was familiar with the whole situation. It was also decided that he should visit Woolwich Arsenal and obtain the latest information on the various details of the manufacture of complete ammunition.

The result of his visit has been fully reported to the Minister of Militia, but it might be briefly stated here that the War Office officials did not fully understand the nature and importance of the committee's work, and had no idea that the factories in Canada were capable of undertaking such contracts, until these facts were explained before them.

Mr. Carnegie presented to the Master General of the Ordnance, General Sir Von-Donop, K.C.B., one of the first shrapnel shells made entirely of Canadian materials, excepting the copper band. He also informed the various officials at the War Office that it was the intention of the Minister of Militia and his committee, to make ultimately the copper bands in Canada. As a result of this visit, several additional large contracts have been placed with the committee.

The only material not made in Canada is copper, which, however, is mined and smelted in the Dominion and subsequently sent to the United States for refining.

7—Miscellaneous

In addition to the foregoing, the Minister of Militia, through his committee has made several investigations for the War Office in connection with the supply of propellants and high explosives. An investigation was undertaken regarding the supply of Nitro-cellulose powder by a large firm in the United States. Other matters have been investigated, such as the supply of rifles and ammunition for the Russian Government.

8—The Manufacture of Tri-Nitro-Toluene

In addition to the manufacture of several thousand tons of cordite and powder in connection with the present contracts for shells, the Minister of Militia has been instrumental in initiating a new industry in Canada, viz: the utilization of the by-products from the coke ovens of the Dominion Iron and Steel Company, at Sydney, N. S., for the manufacture of the high explosive, Tri-nitro-toluene. The revenue alone from the contract placed with the company will be nearly three millions annually, but the value of having such an industry in Canada far outweighs any money value which can be named.

In conclusion, it is gratifying to relate that the quality and finish of the shells, cases, etc., made in the Dominion are equal to, if not better than the British shells.

(Sgd.) The Shell Committee, Alex. Bertram, Chairman.

select those men without regard to any consideration at all except to employ men of the ripest experience, the highest ability and most perfect integrity, and, having selected that one man or those three men, we shall confide to them the whole direction and control of all supplies which are to be purchased under the appropriation of \$100,000,000.

We believe that in that way we shall be able to safeguard most thoroughly and effectively the public interests of this country. We realize that the country is doing its duty in the splendid response which is being made to the call for men, and in the splendid patriotic fund which has been collected from all parts of the country for the purpose of providing for their dependents. We realize that the response to the call for men, and in the splendid patriotic fund which has been collected from all parts of the country for the purpose of providing for their dependents. We realize that the response to the call for men, and in the splendid patriotic fund which has been collected from all parts of the country for the purpose of providing for their dependents.

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Advertisement for 1847 Rogers Bros. Silverware, featuring an illustration of a woman and text describing the quality and variety of their products.

Advertisement for Longacre Hotel, New York City, listing room rates and amenities.

Advertisement for California Fig Syrup, describing its benefits for children's health and digestion.

Advertisement for California Fig Syrup, featuring the text 'BREAK A CHILD'S COLD BY GIVING SPRUP OF FIGS' and describing its effectiveness.

Advertisement for Marble and Granite Works, The P. C. Brown & Co., highlighting their large shipment of 1915 designs and services.

Table showing the P. E. I. Railway Time Table in effect Dec. 21st, 1914, with columns for trains outward and inward, including destinations like Charlottetown, Summerside, and Port Hill.

Advertisement for 'For the Lands Sake' fertilizers, promoting Superphosphate, Nitrate Soda, Feeds, Seeds, and Implements, with contact information for Gill & Lantz.