

### Trying to Fight the Tide.

In most cases the bonuses which the Legislature was year after year being asked to legalize were simply an attempt to fight against the tide. Nothing would prevent the concentration and enlargement of industries in these modern times. Invention, new and larger methods of organization, the improvement of waterpower, of electricity, of railway and water transportation, were seen in the enlargement and concentration of industrial establishments and in the failure or decay of many of the smaller ones throughout the country. The bonuses now being asked for were mostly the pitiable efforts of decaying towns, decaying industries and decaying men to stem a movement which was irresistible. The result was that very few bonuses that had been granted accomplished the object intended. In some cases they have prolonged the agony of existence, but they have not promoted a healthy growth or saved industries which modern conditions had decreed must die out. Those who had been receiving bonuses were usually of three classes: (1) Those who did not need them; (2) those who were going down in the industrial scale anyway; and, in the third place, adventurers who were prepared to gamble on success with the money of the municipalities. In this connection it was worthy the attention of the House that municipal bonusing had been a fruitful source of municipal corruption. When they were hearing so much of political corruption in these days it was too true that it was not the only form known to the elector. In many cases the electors had been bribed with their own money to support bonus by-laws which never did them any good. A man who was receiving ten or twenty or fifty thousand dollars by bonus or loan could afford to spend a small part of it in carrying the by-law; and that he had often spent it there could be no doubt. The bonus system was a menace to capital, because men who had put their money into legitimate industries never knew the extent to which they would be subject to competition elsewhere through the action of municipalities spending public money against private enterprises.

### Injury to Workingmen.

The system had been an injury to the workingman. It had taken industries from one place to another, and unsettled the conditions under which labor was engaged. It had not increased wages anywhere, because the rate of wages was fixed in the labor market, irrespective of bonuses or exemptions. There was now a demand for bonuses to a number of pork factories. If these continued one of the stable and most promising industries of the country would be ruined by over-competition, and the result would be enormous loss and dismay among those farmers and others who had been induced to put their money into such enterprises.

Bonusing had been peculiarly disastrous in its effects on the smaller places throughout the country and on the rural districts. Along with modern invention and the modern tendency towards big enterprises, it had gradually helped to increase concentration in the

larger centres. It had helped to strip the villages, the rural districts and the smaller towns of many of the little industries which had been their pride and stay in the early years of the country, and to drive these into the great centres. In this way the social as well as the industrial effects of the system had been most unfortunate.

In closing, Mr. Pattullo said there were three courses open to the House: To carry the resolution and enforce it in future against all bonus Bills; or, in the second place, to re-enact the old bonus laws which existed from 1888 to 1892, with such further restrictions as may be necessary, or, lastly, to lay down these and other restrictions to be enforced in the Private Bills Committee, so that no bonus bill can pass the House except under entirely exceptional or extraordinary circumstances. He (Mr. Pattullo) was opposed to bonusing on principle, but every hon. member must see that the Legislature ought now to take action along one of the lines indicated.

### Resolution of No Effect.

Mr. Whitney took the ground that there was no law on the statute book with regard to bonuses, and therefore the resolution could have no effect whatever. No sane Legislature would undertake to pass a law restricting the action of any future Legislature. No member on the Opposition side supposed that Mr. Pattullo wished to attack the manufacturers in view of what his friends were doing for that class of the community. If it were necessary to give the manufacturers further protection the Liberals would supply it in unstinted quantities. Mr. Whitney would like to know what part the Premier and the Attorney-General had played in the drafting of Mr. Pattullo's resolution, more especially as the bill introduced by Mr. Ross to enable the Town of Strathroy to grant a bonus to an industry had caused all the trouble which it was now claimed had resulted from the bonus system. The law of 1888, under which bonuses were allowed to be granted by municipalities, with certain safeguards, was a proper and reasonable one, but doctrinaires and visionmongers had their way, and the law was abolished. He would like to see that law again reverted to, and would be glad to assist in its re-enactment. The Government should take a strong position in this matter, and not allow a private member to bring in a resolution in order to test the feeling of the House on an abstract question.

### The Premier's Position.

Hon. Mr. Ross paid a compliment to Mr. Pattullo for the lucid and comprehensive manner in which the latter had discussed the question, but did not see why a municipality should not be allowed to exercise reasonable liberty regarding the appropriation of its own moneys for any purpose whatsoever. He did not agree with Mr. Pattullo that bonuses as a rule had been unsuccessful in preventing the establishment of local industries. In many cases he thought it could be shown that bonuses had developed local industries of great value to the municipality immediate-