The point I want to ask is whether this Bill if adopted will interfere with the farmers' institutes having seed for sale in the manner set forth in this advertisement.

Mr. FISHER. I am not prepared to give a legal opinion but I would say that the Bill would tend to the sale of pure seed and to the sale of seed under the circumstances mentioned.

Mr. BLAIN. Clause 2 of section 3 of the Bill says:

The provisions contained in this section shall not apply to the sale of seed that is grown, sold and delivered by any farmer on his own premises, for seeding by the purchaser himself, unless the purchaser of the said seed obtains from the seller at the time of the sale thereof a certificate that the said seed is supplied to him subject to the provisions of this Act.

Here is a clause which states that a farmer can sell to his neghbour farmer on his own premises without being subject to the penalties under the Bill. Here are farmers who bring the seed together in large quantities at what is called a seed fair, and I do not think it would be in the interest of the farmers or of the country that a Bill should be passed that would prohibit the farmers from bringing their seed in and selling it at such a seed fair as that to which I have just referred.

Mr. LANCASTER. In reference to the amendment of the hon, member for Simcoe (Mr. Lennox) the minister has not disputed that this is a new offence which has been created and if he does not realize it I can assure him that so far as I am concerned, I am satisfied that the penalty is very large for a new offence. What is the offence? The offence is one that might very innocently be technically perpetrated by a man who would then be fined \$500. It is not necessary under the section that the person proceeded against should be offering this seed for sale at all. Anybody who happens to have seed in his possession that some informer thinks might possibly be sold-and of course anything we have might possibly be sold without our being in the selling business-anybody, a professional man or a manufacturer or a clergyman without having anything to do with the growing of seed, who may be the custodian of seed which he holds in trust for somebody else, may be fined, for the informer does not have to prove that he is advertising it for sale or recommending people to buy it or in any way advancing the idea that he has it for Under these circumstances there should be a very small amount of fine if it is only a trivial offence as is likely. The offence is not as serious as striking a man over the head yet a magistrate for such an offence as that could fine a man \$1 only.

Mr. LENNOX. But he is not a great government official.

Mr. LANCASTER. No, as my hon. friend very properly interjects he is not a government official but at the same time I think these things should be looked at seriously by the Minister of Agriculture. Here is a matter that many people would not consider an offence at all and there could be no unanimity as to whether it is proper to fine an offender under it, yet there is no chance for a magistrate to levy a fine of less than \$25. If the rules of the House would permit it, I would move an amendment to the amendment making the minimum fine \$1 instead of \$5. I think we should vote for the amendment to make the minimum fine at most \$5 and the maximum fine \$100.

Amendment (Mr. Lennox) negatived on division.

Motion agreed to, and Bill read the third time, and passed.

## SUPPLY—INTERCOLONIAL RAILWAY ANNUAL STATEMENT.

Hon. H. R. EMMERSON (Minister of Railways and Canals) moved that the House go into Committee of Supply. He said: It has been usual in years gone by, to such an extent that it has become a custom of parliament, for the Minister of Railways, before the House takes into consideration the estimates relating to his department, to make a statement to the House with regard to the conditions prevailing in connection with the Intercolonial Railway during the preceding fiscal year, and also with respect to the conditions prevailing on the railway during the current fiscal year, particularly with regard to the financial aspects of these conditions.

Last year it was my duty to present a statement covering more than half a year, during which I was not connected with the administration of the Intercolonial Railway. The figures for the year ending the 30th of June last were given to the House before prorogation; so that I am in the position of having presented a statement covering a part of a year for which I was in a measure responsible, and I am now called upon to deal with Intercolonial affairs for another year which is but a little more than half spent.

That hon, members may have the facts clearly in mind, however, let me briefly state the results for the year 1903-4. The earnings amounted to \$6,339,231, being \$14,908 more than those of the preceding year. The expenditure was \$7,239,982, being \$1,043,329 more than those of 1902-3. This left a deficit of \$900,751, which was considerably the largest in the history of the government railway.

I am quite aware that nothing I can say in explanation of that shortage will prevent hon, gentlemen opposite from criticising the administration of the Intercolonial from the