

tivity: Agriculture which supplies the raw material; manufactures, which transform it, and commerce, which distributes the goods.

And, first of all, let us take agriculture, undoubtedly the primary and most important of the sources of production. For several years past our farmers had been left in painfully straightened circumstances. Those whose property had so far escaped the bailiff's hand, were intent on giving up farms inadequate for the support of their families. The exports of agricultural products, which in 1878 amounted to \$18,000,000 had fallen in 1896 to \$14,000,000. Scarcely had the Liberals come into power than affairs took another turn; exports of farm products increased, reaching in the course of the last fiscal year the sum of \$37,000,000.

Then, the manufacturing industries, whose ruin had been predicted, found a wider outlet in the home markets, while their exports rose from \$9,000,000 in 1896 to \$18,900,000.

Internal trade was in a bad way, as evidenced by the number of failures reported; it is now once more sound and flourishing. Transportation facilities have become inadequate for the requirements of our trade. Shares of our large transportation companies are sold at a premium on the stock exchanges of the world.

As a last result, our export and import trade which, in 1896, aggregated \$239,000,000, reached in 1902 the figure of \$423,000,000, an increase of \$184,000,000 in the course of the six years of Liberal rule, while for the eighteen years of Conservative rule, the outside trade had increased by only \$67,000,000.

Last of all, by virtue of the principle that thrift engenders riches and plenty, the putting into operation of all the country's resources, coupled with good business management, has brought about an era of unprecedented prosperity and enabled our Finance Minister to announce each year a handsome surplus.

For that prosperity, we should thank Providence; without its help, our efforts would have been of no avail. It is a principle which the Opposition have deeply impressed on their minds. However, I fear they are going too far when they endeavour to show that it is solely through Providence, independently of human effort, that these results have been achieved. They who so often taunt the government on account of short memory, forget that in 1877, when this country, like many others, was undergoing a severe economic crisis, the Conservative party took occasion of the condition of affairs to call for a change of rule. They forget also that 1897, when the present tariff went into force, they predicted the direst calamities as the outcome of it.

I do not mean to say, however, that in the mind of the Liberal party, all things are at their best, and that it only remains for the government to rest on its laurels.

Mr. DEMERS (St. John and Iberville).

Certainly not. We know that dormant waters breed death, and it is only by incessant tossing that the waters of great rivers retain their sweetness and freshness. Our efforts, then, should tend unsparingly to perfect the work without altering the substance. As the ancients said: 'Motus alit, non mutat opus.' The changes or reforms which it would be desirable to bring about are numerous.

The face of our western country is rapidly changing. It is being invaded by a throng of European settlers, and—a fact which should be a matter of congratulation to us—the great neighbouring republic which for so many years boasted of annexing us piecemeal, is now sending to our country thousands of settlers who take over with them some capital and the help of their strong arms.

The sudden increase in the output of farm products explains the inability of railways and inland navigation companies to keep up with the requirements of the trade. The providing of new transportation facilities for the purpose of handling our surplus production and at the same time opening up new districts, is one of the features of the government's programme.

Transportation agencies lose much of their usefulness if they do not provide the service which is wanted or if they exact exorbitant rates. The public will learn with gratification that a railway commission has been constituted, which, it is hoped, will remove all grievances in that connection.

These transportation facilities having been provided in the public interest should be available at all times. Labour disputes in connection with the operating of railways are of interest not only to the shareholders and employees of such railway companies, but to the general public as well. In order that business be not brought to a standstill, it is necessary that the government should provide some reliable system of arbitration.

Then, again, as a member from the district of Montreal I am gratified to learn that the Department of Marine and Fisheries is to be re-organized. The present government has done a great deal to improve the Montreal harbour. They realized that from the very nature of things, Montreal is Canada's seaport. Situated as it is at the outlet of the great lakes, at the innermost point that can be reached by sea-faring vessels, it is the meeting place of merchants from all parts of the world. I am confident the House will be willing to allow the Marine Department to exercise more complete control over our harbour and the great natural highway leading to it.

However satisfactory the state of our internal affairs, we should not lose sight of those international questions which concern us. The most important is, no doubt, the Alaskan boundary question. When, in 1867, Russia agreed to give away to the United