

National Policy. We often hear about the proverbial "fly on the wheel," as depicting the attitude of Sir Richard Cartwright in 1878. I think he furnished the proverb himself, but, to my mind, the helpless position of Sir Richard Cartwright and his friends remind me more of the simpleton in the fable who came to a river whose waters were deep and swift, and instead of trying to ford it or cross it in some way, he lay down on the banks and waited until the water should all flow away. That is what the Liberal party did in 1878 with regard to the trade question. They adopted a policy of inaction until the Conservative party came into power. Some hon. gentlemen are very fond of stating that this country has not prospered under the National Policy, and, with singularly bad memories, they very often assert that in 1878 the country was fairly prosperous, and that from that time forward the country had been going from bad to worse under the operation of the National Policy. I will take the opportunity of reading from the last budget speech made by Sir Richard Cartwright in the House of Commons in 1878. He said :

It is not often in the commercial history of any country that we are called on to chronicle so great a reduction, not merely in the total volume of our trade, but also in the revenue derived therefrom, as we have seen within the last two or three years, * * * The total revenue of trade and commerce of Canada has, in that short interval, been reduced by nearly \$50,000,000, while the revenue derived from customs alone, shows a decrease in that period of something like \$3,000,000. The actual figures in round numbers being that our trade and commerce collectively has been reduced from \$218,000,009 to \$168,000,000 * * * Whereas a few years ago with a total population of 3,600,000 souls, we imported something like \$127,000,000 worth of goods, we found ourselves with a population of 4,000,000, importing a little over \$94,000,000 worth. In other words the total imports have fallen off from an average of \$35.25 per head to something like \$23.50 per head. There has been an enormous shrinkage in the lumber trade from \$28,000,000 to \$13,000,000. There has been a great shrinkage in bank stock and some of these institutions have gone down altogether. The depression in real estate has been general and long prevailing and entails an enormous loss. Our exports have fallen off because we have been poor that we have not been buying much.

This is not any picture of mine or drawn by any Conservative, but an extract from the Budget speech delivered by Sir Richard Cartwright in the House of Commons in 1878. My hon. friend the senior member from Halifax, speaking the other day, deplored

the condition of the farmers of the country, and he referred to the census which, I think he said, showed that we had 120,000 less farmers in Canada than at the time of the adoption of the National Policy. I have heard the statement made repeatedly, that the census returns show a decrease in the farming population, and a considerable increase in the cities of Canada.

Hon. Mr. POWER—I think the falling off in the number of farmers was 7,000.

Hon. Mr. FERGUSON—That was what I found myself, and I was surprised when the figures were given as 120,000. My hon. friend seems to think that that is a very deplorable state of things as regards the farmers. I speak as a farmer myself on this subject, and to my mind the fact that the hon. gentleman states, does not convey that lesson at all. I look upon it that every farmer added to the population of the country becomes a competitor with his brother farmers, but every man, woman and child who is added to a city becomes a customer of the farmer, and it is in the interests of the farmers themselves that the population of the cities should increase. The fact that the hon. member quotes, so far from being against the farmers, is in their interest.

Hon. Mr. POWER—Then why does the hon. gentleman spend money to encourage the immigration of farmers into this country ?

Hon. Mr. FERGUSON—There will be plenty of moving backwards and forwards. We must keep up a prosperous farming class in the country ; but while the number of our farmers has not sensibly increased during that period, I contend that the farmers as a class have done very well. They have held their own better during that period than perhaps any other farmers in the world. Let us look at a few figures in relation to that subject. In 1877 we imported a great deal of agricultural products from the United States. I have looked over the figures, and I find that we imported from the United States over and above agricultural products, not the produce of Canada, that we send out of the country, \$12,000,000 worth. Last year I find that that was reduced to two or three millions of dollars—There is a difference of ten millions of dollars between 1877 and the last financial