

were made against that gentleman with regard to what were termed his peculiar commercial ideas, but those ideas were not the cause of the delay, as my friend from Nova Scotia would have us think. The cause was far removed from that. It was to be found in connection with the Commissioner appointed by the Dominion on the Washington Treaty. When that treaty is examined a peculiar feature will be noticed. On all general questions when arbitration is needed it is provided that three arbitrators shall agree; but in this instance that principle did not obtain. If the decision was not unanimous the arbitration naturally fell to the ground. Well, the United States, taking advantage of this, have seen proper to delay the appointment of their representative, rendering impossible the arbitration of the question of indemnity due to the Dominion on account of Americans fishing in our waters. Have the Government neglected any of their duties in this particular? Not at all. If reciprocity had been adopted when it was proposed, it is likely that two-thirds of the gentlemen on the other side would have commended the action. But, because the treaty did not succeed, owing to some commercial difficulties, it is unreasonable to blame the Government for its failure. The moment we saw there was no chance to bring this matter of compensation into the reciprocity negotiations, from that moment the Government decided to appoint an arbitrator to determine the amount of indemnity due to us. In view of this fact, I think the observations of the hon. member against us are worthless and without good foundation. There is another remark which fell from my hon. friend, who is always what I may term sweet in his demeanour, to which I must advert. He was not quite prepared to say that the commercial crisis was due to the Administration; he was fair enough to tell us that external causes had induced it, but still he had to bring in the charge of lavish expenditures. I am sorry to have to confess that we have made "lavish expenditures," but they were to meet the obligations incurred by the Opposition. We were obliged to meet the expenditure on large contracts and other similar obligations which they imposed upon us.

Hon. Mr. CAMPBELL—No doubt an opportunity will occur during the session when my hon. friend can establish what he says.

Hon. Mr. LETELLIER DE ST. JUST—

Very well; I shall leave the matter now, so that it may be fully discussed when that opportunity arrives. I think it would keep the House too long if I were to try to answer each observation made by the hon. gentleman. There seemed to be a prevailing opinion that the Address should be adopted according to the proposition of the mover and seconder. Has the hon. gentleman any objection to make against the resolutions being adopted *en bloc*? The hour for adjournment is approaching, and we have no time to discuss them paragraph by paragraph. I trust my hon. friend on the other side, and all the members of the House, will believe that, if anything has dropped from me which may have grated on their feelings, it was contrary to my intention.

Hon. Mr. SMITH—As reference has been made in the course of this debate to the commercial depression, I cannot allow the opportunity to pass without expressing my opinion that the present stagnation of trade is not caused by a want of capital, nor, indeed, by a want of material. The cause, to a certain extent, is the want of confidence among capitalists. The policy of the present Administration has been to discourage direct importation, which, I have no hesitation in saying, has been almost totally ruined by the policy pursued. The poverty in our cities, there is every reason to believe, is directly caused by over-emigration, but it has been aggravated by the almost total suspension of manufactures in the country. The cause of this is that we are not taking care of our own people. We are not providing ways and means for using the capital of the Dominion; but we are diverting labour to foreign countries. There is certainly something wrong, and the Government of the day ought to be able to put it right—it is not my place to do it. At no previous time in the history of the country has poverty in the cities been so great as at present; and, to counterbalance that, I may say that there never was a time when capital was so abundant. Our banks are full of money, but the direct importer is afraid to touch it, because he does not know what the policy of the Government may be in regard to the tariff. The taking off of the differential duty has given great dissatisfaction to the direct importers and to a large class of the people. That step was taken without notice being given to those who had invested largely in direct importation to this country. Our neighbours would not