

bulbs that did not exist. Men who had not as much as a flower-pot in their possession sold bulbs at fabulous prices, and these the bulbs of tulips, which, while a beautiful are not the most attractive of flowers. After this period of wild speculation the crash came. In Holland at that time they had no paper currency whatever and its banking system had been always noted for its soundness. If our friends contend that any financial depression existing here is due to the tariff, they ought to point out here how the tariff has produced these evils of which they complain. Now, Sir, let me say one word about why I think it reasonable that we should be content with the 20 per cent. duty upon implements. That reason is this, that, owing to the tariff of 1887 the Finance Minister's hands were tied in regard to iron. I hold, as you know, Sir, that iron ought to be free, as being the raw material of so many things. But, suppose we had as a free trader a Finance Minister, he would have to deal with a very grave question. You had protected these industries and fostered them—how then could he do other than move slowly? Of course, you know my views still further. If I were to protect raw material at all, I would protect it by a bonus pure and simple. The 'Globe' newspaper, which is very able, and well written—never so well written as it is at present—discussed this question of a bonus, and it seems to think there is no difference between a bonus protecting a raw material industry and a customs. Let me point out what the difference is. We will suppose that a bonus is sufficient to encourage the manufacture of a given commodity, that it is sufficient to enable the manufacturer to compete with the outside world, that bonus will not affect the international price of the commodity to the consumer.

Mr. MILLS [Bothwell]. The Government pays the duty instead of receiving it, that is the difference.

Mr. DAVIN. Is that what the hon. gentleman always contends? The hon. gentleman contends in regard to protection that the Government does not receive the duty at all, but the manufacturer receives it.

Mr. MILLS [Bothwell]. Not on imported articles.

Mr. DAVIN. What would happen would be this: The community would give a certain premium; it would come to the conclusion that it was worth while to give a certain premium to encourage a given industry. Those who deal in that raw material would buy at the international price. I am only contending now, and I am sure the hon. member for Bothwell will agree with me, that there is a radical difference between encouraging an industry by protection in the shape of customs and by protection in the shape of a bonus. There is a complete difference, and I just mentioned it because, in my view of a tariff, under no circumstance would I put such a customs duty on raw material as was placed on iron in 1887; but once it was placed there, the hand of any Finance Minister is more or less tied; he cannot give you the heroic remedy that he might otherwise do, and partly because of such a criticism as the hon. member for Both [Mr. Mills] makes. That is the kind of criticism that would be made all over the country. The hon. gentlemen must know as well as I do that if there is anything to be paid for encouraging and industry under the circumstances the community at large would pay less under a bonus than under a customs protection. However, I merely mention that in passing, to point out that as long as a duty was to be placed on iron it was impossible for the Finance Minister to go farther than he has gone in regard to reducing the duty on implements. Now, Sir, I have no fear whatever that the farmers of the North-West, bearing in mind what has been done by this extended reform in our tariff, will not be well content with the reduction on implements, and on those other things that we fought for from year to year. I remember that in 1888 or 1889 a dinner happened to be given at Regina, when I was going away, and a gentleman spoke at that banquet, whom my hon. friend the Finance Minister heard speak on a Regina platform last year when he was up there. This important question of protection had come up, and this gentleman stated at the Regina meeting what I say I had