

and exports nearer than they were from 1871 to 1878, or even from 1867 to 1871, or from 1874-75 down to 1879. This, I say, will be the case if we can keep the proportion where it is; and I do not hesitate to say that I, for one, do not look upon a very large increase of imports as an unmixed blessing. If the people are in a position to consume the goods which come into the country—if they have the purchasing power, it is an evidence of their wealth. But my hon. friend the leader of the Opposition called the attention of the House to a remark which I made to a personal friend—a merchant of St. John—and I suppose I repeated it in public afterwards—to the effect that if I were his age, and engaged in business, I would put on the whole of the canvas I could carry for ten years, and then take in sail. I believe, from the fact that we are opening up and developing the great North-West country, from the fact that the population coming into the country at the present time are bringing in a large amount of money for investment, from the fact that, last year, we had of the value of imports over \$1,000,000 of settlers' effects—and which will be increasing, and which, of course, does not create any difficulty financially—from the fact of the large expenditures in the North-West, I hold that the return of the pendulum—which always does come back—will be deferred, and that we have seven years of prosperity before the country. If, Sir, our business men are not carried away by this success and prosperity—if they do not import over and above what the requirements of the country absolutely demand, if they do not, in their anxiety to do business, trust men who will fail and not pay them—then, Sir, I say there will be no difficulty whatever, in my judgment, for the next seven years, with reference to the commercial condition of the country. So I hold that the fear which was entertained and declared that we would not be able to establish the equilibrium between the exports and imports must to a certain extent have been dispelled, because there were \$8,333,000 as compared with \$12,000,000 for the first four years; \$36,000,000 the second, and \$15,000,000 the third, which shows, that with the prosperous times of last year, and the large importation which took place, the balance was only \$8,333,000 against us. Therefore, their fears on this point ought also to be dispelled. Then, Sir, it was stated, that this policy being at variance with the policy of the Mother Country, it would create a bad feeling there, and the result would be that Great Britain would be anxious to throw us off in her indignation. Not only so, but it was said that it would affect our credit abroad. Well, Sir, has it affected our credit? I cannot see that it has. Year by year our position is becoming better. As I stated on a former occasion, in 1879, our securities were 4 or 5 per cent. below those of New South Wales, which stood at the very top of the list. To-day, we are 2 per cent. above them. We are further in advance than we were twelve months ago. Hon. gentlemen may say that this is caused by the cheapness of the money, but that would not account for the difference between the two cases. Let me give some of the reasons why our securities stand where they do to-day. This policy of the Government which is securing a handsome surplus from year to year, has, in the first place, given confidence to the investors, and what has it done besides? Where would our securities have been to-day, if, considering that during the last four years we have spent \$36,000,000 on Capital Account, and that during the same period we have redeemed \$20,000,000 of debentures and other securities falling due—if, instead of having the surpluses we have had—if, instead of having increased the earnings of the people placed at the disposal of the Government—if, instead of having \$1,750,000 paid in yearly from the proceeds of our lands—if, instead of this state of things we had had deficits, and our savings bank depositors nearly stationary, we would have been compelled to go to the Eng-

lish market for \$10,000,000 a year, and ask the capitalists of that country to take our securities for that amount—I ask where would our securities have stood in that case? We would have stood as to New South Wales, as we did before. Whereas, to-day, we occupy the proud position of being at the head of all colonial securities in the English market. We are likely to stand there, because, apart from our maturing liabilities—\$25,000,000 in 1885, and \$10,000,000 which we have taken up and will be taking up, the next three, or four, or five years—if we can have a surplus of three or four millions a year, and saving deposits of a like sum, we will not from this day to the finishing of the Canadian Pacific Railway, require to go to the English market, except to replace those liabilities which mature; under those circumstances, hon. gentlemen can easily understand that our securities will continue to maintain a good position. But if we had not a surplus, if we had not this money paid in by our people out of their savings and had to go to England to ask for these loans we would soon see the effect. Our credit has not been injured; and every hon. gentleman knows that our position to-day—in the estimation of our fellow countrymen in the fatherland—stands higher than it ever stood before. Then, Sir, there was another fear expressed by hon. gentlemen opposite. It was said that the imposition of a duty upon agricultural products, necessitating their being bonded in their passage through Canada, would interfere with our trade—that is, it would diminish the value of the foreign exports, and this it was not desirable to do. One hon. gentleman, who is not now in this House, pointed out how large a sum of money was paid to the railways and forwarding companies for the transmission of American products to the ports of the Dominion of Canada for shipment, and he made out apparently a strong case. His arguments would have had a great effect if his conclusions had been justified by the facts. But it was found that measures were taken by the hon. Minister of Customs, by which very little difficulty occurred in the transmission of the products of the United States through Canada. It was found that there was a large increase in 1878-79, and 1879-80, but in 1881 a falling off, as compared with 1879-80, and hon. gentlemen opposite called the attention of the House to that fact. I understand that a very large falling off in the exports of the natural products of this continent, both in the United States and in Canada, occurred. But I may state here that, during the past year, there has been an increase of nearly \$1,000,000 in the exports of American products from the Port of Montreal alone, and the quantity would have been much larger had it not been for the failure of the corn crop, which affected the exports from the American ports as well. The falling off in the exports from Canadian ports has been in the same proportion as the falling off at American ports; but had it not been for the failure of the Indian corn crop, the exports would have been as large as they were in any year from 1879 to the present—except one. It is quite clear, however, that up to the present time there has not been a falling off, but an increase; but that increase has not been as large during the last year or two as it was for the two years previous. The Government have always been exceedingly anxious to encourage this trade. They would have hesitated a long time before taking any steps that would diminish the volume of trade going from the ports of the Dominion. Our whole policy, the policy of both Governments since 1867, has been to do everything that the means of the country would justify to afford increased facilities to the shipping coming to and going from Canadian ports. Since Confederation \$1,200,000 have been expended in establishing lighthouses, fog-whistles, &c., in order to give additional security to our shipping; and the expenditure for the maintenance of these has increased \$250,000 a year since Confederation. These figures