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to enable you to make a large capital expenditure and yet not increase the debt largely; but the plain truth is told by the total expenditure, and it is this plain truth that this House requires and that the country needs. The House will notice that the average total expenditure of the late Liberal-Conservative Government from 1892 to 1896 was less by about $400,000 per year than from 1887 to 1891. In 1896 it was $41,702,383.

Now, Sir, when you leave the year 1896 what do you find? You find that in 1897, the average total expenditure rises to $42,972,755.

The Minister of Trade and Commerce (Sir Richard Cartwright). I do not want to interrupt the hon. gentleman, but would he state again what he makes the total expenditure for 1896?

Mr. Foster—The total expenditure for 1896 is $41,702,383, and to assist my hon. friend (Sir Richard Cartwright), I will tell him what the Finance Minister (Mr. Fielding) has had to tell me in this House for three several times, but only upon my jogging his memory, namely, that in a bookkeeping way he charged up to the Government expenditure in 1896 $2,394,000 for the North Shore Quebec Railway subsidy, which was a liability incurred in 1882, and not in 1896. And though he included it in railway subsidies actually paid in 1896, I challenge the Finance Minister to rise in his place now, and tell this House that he has paid off that liability. He charged the total sum in the railway subsidies of 1896 to the late Government, and to this day he is simply paying the interest, as was the condition of the grant made in 1882. That is why I wish to assist my hon. friend (Sir Richard Cartwright), lest he fall into a trap.

Now, Sir, when you come to the summation of that matter let it for ever silence gentlemen who state that the Liberal-Conservative Government for the last ten or fifteen years of its existence was an extravagant Government as measured by great increases in public expenditure. What is that summation? It is that the Liberal-Conservative Government spent in totality $388,237 per year less from 1892 to 1896, than from 1887 to 1891, and that the present Government has exceeded the Liberal-Conservative average expenditure from 1892 to 1896 as follows:

In 1897 by	$ 830,992
In 1898 by	3,192,518
In 1899 by	9,400,872

And, as estimated by the Finance Minister for this current year of 1900, they will overexpend the average expenditure of the late Government from 1892 to 1896, by the sum of $10,908,255.

Now, Sir, I invite any gentleman on the other side of the House to take the public accounts which he can have put in his hand and to deny one single statement that I have made with reference to a comparison of this expenditure as between the two Governments.

Let us now take the total expenditure per head of the population. I am not going into any fanciful enumeration of the population of this country, because I am not able to do so any more than is the Minister of Trade and Commerce, although in his speech in Massey Hall he undertook himself to make up the population of this country and draw his deductions from the figures he made, and he got himself into an absurd tangle in his attempt to do it. I am taking what the public records give us as to the population of this country, as we have to do between the years when the census is taken. Well, Sir, how does it stand? The following table will show it at a glance:

Year.	Population.	Total Expen.	Expen. per head.
1892-6	—5,011,000	$42,141,764	$8.41
1896	—5,125,436	41,702,383	8.14
1897	—5,185,990	42,972,755	8.28
1898	—5,248,315	45,324,273	8.63
1899	—5,312,500	51,542,635	9.72

Here we have a per capita expenditure in 1896 of $8.14 and in 1899 of $9.72, according to the figures given by the Minister of Customs and by the Dominion Statistician, an increase of $1.58 for every man, woman and child in the Dominion. Now, Sir, let me make another comparison. In 1893 it was that my right honorable friend (Sir Wilfrid Laurier) denounced the Liberal-Conservative Government for its extravagance, and declared that he would bring the expenditure of this country to two millions or three millions less than it was. Now, Mr. Speaker, what are the comparisons?

	Consolidated Fund Expenditure.	Total Expenditure.
1893	$36,814,052	$40,853,727
1899	41,903,500	51,542,635
Increase . . .	$5,089,443	$10,089,108

And yet these hon. gentlemen claim that they have fulfilled their pledges. Having driven out a Government which was so extravagant, these gentlemen have marked, and marked in a significant manner their appreciation of economy by spending $10,689,000 more in the last year than was spent in 1893. Well, Sir, that is not the best of it or the worst of it; for the estimates given by the Finance Minister for the current year are as follows: That the expenditure on consolidated fund will be $43,175,000, and on capital, $9,875,000, a total expenditure of $53,050,000, as compared with a total expenditure in 1896 of $41,702,383. In the current year, the revenue is to go up to $51,000,000, an excess of $4,400,000 over last year, and the expenditure is to increase over that of the present year by $1,500,000.

THE INCREASE OF THE DEBT.

Now, Sir, having made this comparison, I wish to come back to the statement which was made by the Minister of Finance. He desired to show, as regards the increase of the debt, that the present Government was in a much better position than the late Government; and how did he attempt to show that? Why, Sir, he took the years from 1878 to 1896, and said that in those eighteen years the debt was increased by $118,000,000, an average of $6,563,000 per year, whereas from 1896 to 1899, three years, there was an increase in the debt of $7,700,000, or an average increase of $2,503,000 per year; and then he imagined that he had satisfied this House, and this country, that he had proved the matter up to the hilt. Was there ever a more unfair statement made? Was there ever a more flagrant outrage committed upon all reasonable rules of comparison? The hon. gentleman takes the period from 1878 to 1896, and he compares the increase of capital expenditure in those years with the increase in the three years just past, when Canada had almost completed her house and installed her main furnishings, and now had but to provide the lesser requirements in the various departments of the public service. Let me read to my hon. friend some figures, and then see if he does not himself feel ashamed of having attempted to palm off so unfair a statement upon the country. From 1878 to 1896 we were building the Canadian Pacific Railway, and we spent $65,000,000 of capital on that road; in the three years past these gentlemen have spent just $23,000 on the Canadian Pacific Railway. From 1878 to 1896 we spent on canals, $36,000,000; in the last three years these gentlemen have spent $9,300,000. From 1878 to 1896 we set aside as debts to the provinces, $10,300,000; while these hon. gentlemen have made an appropriation of only $260,000. We spent on the Intercolonial Railway branches, $20,500,000; they have spent $1,400,000. We assumed the St. Lawrence debt, $2,700,000, and went on thereafter with the improvement ourselves; they have assumed nothing with regard to the debt incurred by the Montreal Harbour Commission in improving the St. Lawrence. On the Quebec North Shore Railway we assumed $2,394,000; they nothing. On territorial expenses we expended $900,000; they nothing. And yet the Finance Minister of this country thinks it is not beneath his dignity, and that it is fair and reasonable, to make a comparison between these utterly dissimilar periods as regards great expenditure. On the North-West Rebellion we paid $4,800,000 out of the revenues of the country; they incurred no like expense.

Some hon. members—Oh, oh.

ENTHUSIASM.

EXPENDITURE ON CONSOLIDATED FUND ACCOUNT AND TOTAL EXPENDITURE.

	Consolidated Fund	Total Expenditure.
1887-1891 (average)	$36,326,821	$42,530,000
1892	33,765,804	42,272,136
1893	32,814,052	40,853,727
1894	37,585,025	43,800,233
1895	38,132,005	42,872,338
1892-1896	37,249,223	42,141,763
1896	36,940,142	41,702,383
1897	38,349,750	42,972,755
1898	38,832,532	45,324,281
1899	41,903,502	51,542,635

Now, Sir, one word as to total expenditure, for al[l] ... that he has made since 1897 to the present hour. Now, Mr. Chairman, so far, I have dealt with the large figures of the expenditure. Let me give the House a table in detail. I will compare 1895-6 with 1898-9, expenditure on consolidated account in the different departments of Government. What was the great charge hurled against us by hon. gentlemen opposite? That we were extravagant in every department of government; that every department might well have its expenditure reduced. Take 1895-6, which was the last fiscal year of the late Government, and compare it with 1898-9, under hon. gentlemen opposite:

EXPENDITURES ON CONSOLIDATED FUND ACCOUNT.

	1895-96.	1898-99.	Increases.	Percent. of Increase.
Interest on debt	$10,502,000	$10,855,000	$353,000	3½ p.c.
Administration of justice	758,000	815,000	57,000	7½ p.c.
Arts, Agriculture and Statistics	210,000	258,000	48,000	22½ p.c.
Civil government	1,396,000	1,411,000	15,000	1¼ p.c.
Geological survey	124,000	149,000	15,000	12 p.c.
Immigration	120,000	255,000	135,000	110 p.c.
Quarantine	95,000	136,000	41,000	42 p.c.
Indians	880,000	986,000	106,000	12 p.c.
Light house and coast service	466,000	545,000	79,000	16 p.c.
Mail subsidies	534,916	584,056	50,000	9 p.c.
Militia and defence	1,136,000	2,112,291	976,000	90 p.c.
Miscellaneous	172,000	318,000	146,000	84 p.c.
Ocean and river service	183,000	330,000	149,000	80 p.c.
Penitentiaries	385,000	417,000	32,000	8½ p.c.
Pensions	86,000	96,000	10,000	12 p.c.
Public works	1,289,000	1,902,000	613,000	50 p.c.
Railways and Canals (Revenue)	126,000	384,000	258,000	200 p.c.
Superannuation	211,000	325,000	14,000	4½ p.c.
Customs	896,000	1,037,000	141,000	16 p.c.
Railways and canals	3,826,000	4,246,000	420,000	11 p.c.
Trade and commerce	9,000	88,000	79,000	900 p.c.
Total	$36,900,000	$41,900,000	$5,000,000	14 p.c.

ASTONISHING FIGURES.

Now, lest I overwhelm the Minister of Trade and Commerce (Sir Richard Cartwright) with these astonishing figures respecting his own department, I will say, that, at long last, he has plucked up courage to pay the silver-lead smelting bounties in British Columbia, for which legislation was prepared and passed by the Conservative Government before they went out of office, and that a large part of the expenditure in his department is due to the paying of these long-deferred bounties. In the whole of the pages of comparison in the public accounts of this year, there are only four or five departments or sub-departments of government in which there has not been an increase.

Now let me say something with reference to the taxation of this country. The opinion has prevailed, made to prevail, by these hon. gentlemen very largely, that the taxation taken from the country by the Liberal-Conservatives was exceedingly high. This was urged as a strong reason for the defeat of the late Government. The pledges of those who are now in power led the whole country to believe that the load of taxation would be relieved if they were returned to power. It will be interesting to read these figures, taken from the hon. gentleman's own returns. In 1889-90, we had the period of highest taxation in this country, and I begin with that year.

VOLUME OF TAXATION AND REVENUE.

	Taxes.	Total Revenue.
1889-90	$31,587,071	$39,879,925
1890-1	30,314,151	38,579,310
1891-2	28,446,157	36,921,871
1892-3	29,321,367	38,108,608
1893-4	27,579,203	36,374,693
1894-5	25,446,198	33,978,129
1895-6	27,759,285	36,618,590
1896-7	28,648,626	37,829,778
1897-8	29,576,455	40,555,238
1898-9	34,958,069	46,741,249

We see, therefore, by these figures, that 1894-5, when the taxation was $25,446,198, and the total revenue $33,978,129, was the period of lowest taxation, and we know that from 1890 to 1894, including these years, three successive reductions had been made in the tariff of the country. Now, sir, what follows? That, whereas in 1889-90, $31,500,000 were taken from the country in taxation, in 1894-5 that had been reduced to $25,500,000, or in round numbers, $6,000,000, largely by the tariff revises which had taken place under the Conservative Government. These figures, I think, are a striking commentary upon two things: First, the alleged extravagance and the high taxation under the Liberal-Conservative Government, and the beautiful way, the unique way, in which these economists have carried out their pledges and reduced the taxation by increasing it to $7,190,000 from 1896 to 1899.

Well, sir, there is another way of making comparisons, which is the taxation per head, and that will be shown by the following table:

Taxation Per Head.

	Customs.	Customs. & Excise.
1890	$5.01	$6.60
1892-96	3.95	5.55
1895	3.52	5.02
1896	3.94	5.42
1897	3.83	5.52
1898	4.22	5.63
1899	4.84	6.59
Reduction 1890 to 1898	1.49	1.58
Increase, 1896 to 1899 ..	90	1.16

That is to say, the reduction per head from 1890 to 1895, under a Conservative administration, was $1.49 in customs, and $1.58 in customs and excise both. From 1896 to 1899, the increase in customs alone is 90 cents per head, and in customs and excise together, $1.16. And this past year is but a promise of what the present current year and the succeeding year are to be in the way of still greater increases.

COMPARISON OF TARIFF RATES.

Now, sir, I want to say a word on the tariff rates so as to make a comparison which will bring out as clearly as we possibly can what is the difference between these hon. gentlemen under what they call their low revenue tariff, or moderate tariff, and the Liberal-Conservative Government under what the hon. gentlemen opposite denominate as the extravagantly high national policy duties. Now, I am not going to make these calculations myself. There is one thing that a member of an Opposition can sometimes get out of the Government, that is, information, and when these hon. gentlemen do get their blue-books down—which the Minister of Trade and Commerce has not done yet, and the lack of which I felt in my preparation for my reply to the hon. gentleman who spoke on Friday—I say that when we do get the figures made up by themselves, I propose to take them as long as I think they fairly conserve the facts, and are based upon impartial lines. So, I take from the trade and navigation figures, the duties on dutiable and free imports into this country for home consumption and present it as follows. The highest year of tariff rate was in 1890, when it was 21.65 per cent. The House will see that from 1890 to 1895 the percentage rate of taxation fell from 21.65 to 16.99 under the successive reductions of the tariff which were made by the Liberal-Conservatives. In 1896, the rate goes up, because, as I said, a part of the sugar duties were put back, and the rate in that year was 18.28.

Now, what is the state of things which they disclose? If we compare 1899 with 1895, there was a reduction of 4.66 per cent. in the rate of taxation under the Liberal-Conservatives. If you take the imports of 1895, which were $105,252,000, you will find that 4.66 per cent. of it is $4,900,000, that is to say, the reduction in the rate of taxation from 1889 to 1895 was 4.66 per cent; and the actual volume of taxation taken off on that basis was $4,900,000. Now we will take 1896, their own figures still. The tariff rate was 18.28; in 1899 it was 16.70, a difference between the two periods of 1.58. The total merchandise imports for 1899 were $149,346,459. So, if you had taken the tariff rate of 1896 and applied it to these imports, you would have taken from the people $2,359,000 more than actually was taken. That is to say, by their own showing they have saved, in the volume of taxation, $2,400,000 by their reductions, whilst the Liberal-Conservatives saved $4,900,000 by their reductions. Does the Hon. Minister of Customs to dispute those figures?

The Minister of Customs (Mr. Paterson)—No, but I would treat them somewhat differently.

Mr. Foster—How would the hon. gentleman treat them differently if he treated them honestly? I take my hon. friend's

He would ...

Mr. Foster—I am speaking of reductions made on the figures of the Trade and Navigation Returns, on the figures which your own report gives me. I have made the calculations, I will put them before the House, and I will challenge you to dispute their correctness. I am following up, exactly, the method that the hon Minister of Finance (Mr. Fielding) pursued on Friday, when he said he had figured out a rate of 2.02 per cent. of a reduction, equal to a reduction of taxation of $3,070,000.

The Minister of Finance—A reduction as compared with your tariff, not as compared with any tariff of our own.

AVERAGE RATE OF CUSTOMS TARIFF.

Mr. Foster—I will carry on the comparison a little farther. From 1892 to 1896, a period of five years, the average rate of custom tariff was 17.47 per cent; from 1897 to 1899, three years, the average rate was 17.17 per cent. So that if you take three years of the hon. gentleman's administration, they have reduced the tariff rates by 30-100 of one per cent. Now their answer to that will be: Well, but, in 1897, we had done nothing with the tariff until the very last month, or two months of the year. Very well, then, we will take 1898 and 1899, two years. During these two years their average was 16.82 per cent., and if you deduct that from the average rate from 1892 to 1896 it gives a reduction of 65-100 of one per cent. of the average tariff rate. But they will say: Our full preference was not in force in these two years. Then we will take the year 1899, when, by their own calculation, their rate was 16.70; this is a reduction of 77-100 of one per cent. compared with the average tariff rate from 1892 to 1896. Now, these are statements which are made from their own figures, which are open to the House and which can be canvassed by the country and pondered upon. The following table shows the rate of duty from 1889 to 1899 inclusive:

Rate of Duty on Imports for Home Consumption, Dutiable and Free.

Under Liberal-Conserv.		Under Liberals.	
1889	21.65 p.c.	1897	17.87 p.c.
1890	21.21 p.c.	1898	16.95 p.c.
1891	20.06 p.c.	1899	16.70 p.c.
1892	17.56 p.c.		
1893	17.38 p.c.		
1894	17.13 p.c.		
1895	16.99 p.c.		
1896	18.28 p.c.		

Average 1892-96, 17.47 p.c.
Average 1897-99, 17.17 p.c.
Reduction, 30-100 of 1 p.c.

But there is a peculiar circumstance that I would like to call to the attention of the hon. Minister of Customs, who deals honestly with figures and wishes to do what is right.

CORN NOT FOR HOME CONSUMPTION.

I will ask him if, in 1898, 23,000,000 bushels of Indian corn had been imported into the country, how would it have been entered in the Trade and Navigation returns of that year? He knows that that 23,000,000 bushels would not have been taken for consumption in this country, and that a very small proportion, comparatively, is taken even now for home consumption, of the corn that comes in from the United States. It passes through the country intransit, and is exported from this country as foreign produce. I ask the hon. Minister of Customs, if, under these conditions, in 1898, there had been 23,000,000 bushels of American corn brought into this country, in what column would it have been entered—for home consumption or under general imports? The hon. gentleman knows that not a bushel of it would have been entered for home consumption except that small quantity which was actually intended for home consumption, and that the rest of it would not have gone into the home consumption totals for the calculation of the revenue rates, and it would have gone out as foreign product exported. Now, the thing is changed, Corn is free, and I ask the hon. Minister of Customs to take his Trade and Navigation Returns, to turn up the book and find how much corn, from the United States, was entered in the column of total imports, and not included in the home consumption column upon which the scale and rate of duty is to be calculated. How much will be find? I venture to tell him that he will not find a bushel, but he will find that 22,342,847 bushels of American corn were brought into this country, placed in the columns of his returns; 'entered for home consumption,' that the value of that was $8,966,925, and if he will go to the column of exports he will find that of that $23,000,000 bushels, 16,009,847 bushels, valued at $6,362,683, have been exported from this country, as foreign product, to the old country. If the hon. gentleman wishes to deal honestly with figures he will instruct the clerks of his departments to take that $6,362,683 worth of corn, entered here for home consumption, but which did not go into home consumption, and which was never meant to go into home consumption, but into the exports of foreign products, from the $854,000,000 which he has taken as the home consumption totals upon which to calculate his averages. Will the hon. gentleman do that? Does he consider that this is dealing honestly with the country? I give my hon. friend greater credit for sagacity and knowledge than not to know the currents of trade upon such important articles as Indian corn, in the department of which he is the head, and where he is constantly in touch with the details of the business. Why is it they have gained the advantage of a lower rate per cent. this year which the addition of this $6,000,000 odd, where it should never have been added, has given them? Because, either the hon. gentlemen's clerks did not choose to do the right thing, or, because when the hon. gentleman was calculating the rates he did not give what was fair and honest information in reference to them. If he will deduct that $6,362,683 from the $154,000,000 and divide the remainder into the duty collected, he will find that, instead of 16.70 per cent. as I have hurriedly made the calculation, his rate for 1899 will be 17.36 per cent., as compared with 16.99 per cent. in 1895, and with 18.28 per cent. in 1896, and he will find that his gain of reduction of duty in 1899 over 1896 is only 92-100 of one per cent. I may be mistaken in this point; I am anxious that I may be set right if I am mistaken, but, if I am right in my calculations I think it is the duty of the hon. Minister of Customs, and of the hon. Minister of Finance, and of the hon. Minister of Trade and Commerce, to set this matter right at once, for, Sir, if you cannot take our blue-books, solemnly given to the people as a record of facts, as in every respect true to fact, and make your calculations upon the basis of the circumstances which actually exist, then, Sir, you must surely implant the canker and virus of that suspicion and want of confidence which will effectually destroy all value in our public records. Now, if we apply this as the true rate, until it is contradicted, what do we find? From 1892 until 1896 the rate average was 17.47. In 1896, it was 18.28, and in 1899, it was 17.36. That is, in 1899 the tariff rate is just eleven-one hundredths of one per cent. less than the tariff rate from 1892 to 1896, upon the average. And, the reduction of taxation which the Minister of Finance calculated yesterday at $3,077,000 will be reduced to $1,417,000 over 1896, at the rate of reduction of ninety-two one hundredths of one per cent. I have one or [two] more ... with reference to

of the rate of dutiable goods imported from Great Britain, and I find that in 1896, the rate of tariff imposed on dutiable goods from Great Britain was 30.20. In 1899 it is 26.62, or just three and fifty-eight-one hundredths of one per cent. less than it was in 1896. Again I say these are not my figures. They are the figures taken from the table published by the Minister of Trade and Commerce in his report.

Mr. HAGGART—With the percentages calculated by him?

Mr. FOSTER—Yes, with the percentages themselves calculated by his department, and set down by the department, and this is simply a copy of those figures which I have put upon this paper from which I am reading.

Mr. MONTAGUE—And under the operation of the preference.

FACTS AS TO THE PREFERENCE.

Mr. FOSTER—Yes, under the operation of the preference. Now, what are the facts disclosed as to this preference? Here you have an important policy founded upon a preference. A preference of what? A preference of 25 per cent. of the duty, and it goes into force 12 1-2 per cent. first and then another 12 1-2, making it 25, and for eleven months of this year 1899, the 25 per cent. reduction has been in force. If you take 30.20, which was the tariff on dutiable goods in 1896, their full reduction of 25 per cent. would be 7.55, but instead of that they are reduced only 3.58 per cent. But I will deal more with that question later. My hon. friend (Mr. Fielding) undertook to go over a large number of what he called indications of prosperity in this country. I agree with him that in the main these are evidences of prosperity. First, the growth of trade; second, the deposits in the public banks and the savings; third, the clearing-house returns, which register the transactions of trade to a large extent. Then there is the immigration into the country and the various other points which he mentioned. But, sir, when the hon. gentleman (Mr. Fielding), was speaking I thought I had heard an argument advanced per contra on that very line, and in looking it up I found that the Minister of Trade and Commerce (Sir Richard Cartwright), on one occasion in replying to myself, when I gave in as careful a manner as I could these same evidences and drew conclusions of prosperity from them; the hon. gentleman (Sir Richard Cartwright) rose and made a very serious and very vigourous comment on my position. And what did he say?

Bank deposits! Sir, evidences of debt are not evidences of prosperity. Savings bank deposits! Where is the money? You have not got it. If a run were made on your bank to-day, you would have to go to England and borrow it. You owe it; it is interred in public works and railway subsidies, to keep some one behind the Minister in good humour.

The further extract is blurred here.

Mr. MONTAGUE—He got mixed.

Mr. FOSTER—Well, I will stop at "good humour." It is a very appropriate place to stop and the argument of the hon. gentleman (Sir Richard Cartwright) is brought out. I did not entirely agree with my hon. friend (Sir Richard Cartwright) when he criticised these indications, but, anyway, there is what he said. The Minister of Finance and the Minister of Trade and Commerce are now sitting together, and I dare say that on Friday night the Minister of Trade and Commerce (Sir Richard Cartwright) quietly took the Minister of Finance (Mr. Fielding) by the lapel of the coat and said:

See here, Fielding, you make a great mistake in that. Do you know that evidences of debt are not evidences of prosperity? Why, you have not got that money; it is interred in railway subsidies and public works to keep some troublesome follower behind you in proper subordination; do you not know that if you were called on for the money in the savings banks you have not got it in your treasury and that you would have to borrow it.

And so I think that a modifying influence may have been used in that way by the colleague of the Finance Minister. However, maybe the sweets of office have modified the asperities of his former criticism; maybe that the delights of sitting back as an on-looker and alternately laughing, and underneath his beard sometimes, I fear, swearing at the vagaries of his colleagues; perhaps these have so softened his former opinions or obliterated them, that he has not used the keen edge of criticism on his honourable colleague the Finance Minister.

AN ARBITRARY DIVISION.

Well, sir, I have nothing to quarrel with in these indications of prosperity, but I have some remarks to make as to the manner in which they were collated and placed before the House. Does the Minister of Finance (Mr. Fielding) tell me that he is giving any fair comparative or other statement of the trade of Canada by dividing it arbitrarily into three unequal periods—the first period from 1868 to 1878 (ten years); the second period from 1878 to 1896 (eighteen years); and the third period from 1896 to 1899 (three years). On what basis has he made the collocation of these figures on what basis has he made this aggregation? Does not my hon. friend know that when he states that in 1868 the trade was $131,000,000; and in 1879, it was only $153,000,000; does he not know that he has simply caricatured the state of trade from 1868 to 1879, because if you look over the course of trade, you will find that in 1873 it had gone up to $217,000,000 from $131,000,000 in 1868, and then in 1873, for some reason it commenced to decline until it went down to $153,000,000 at the end of the administration of the Mackenzie Government in which my hon. friend (Sir Richard Cartwright) was Finance Minister, as compared with $217,000,000 in 1873. Well, take the other period, from 1879 to 1896. In 1879 the trade was $153,000,000, and in 1896 it was $239,000,000. Any one looking over the trade reports knows that in that long period of eighteen years there were periods of greater and less trade, because cycles of greater or less prosperity succeeded each other—twice, three times, sometimes four times, in that length of time. My hon. friend knows also that the circumstances of this country radically change from period to period, and so his comparison was entirely worthless, except that he wished to exaggerate the immense and splendid increase the last three years had registered in the trade of this country, taking these unfavourable points of comparison as he did, in 1878 and 1896. Well, Sir, let us look at this question of trade. Nobody doubts at all that the trade of Canada has advanced splendidly in the last three years. Nobody who will be fair doubts that the turn of the tide commenced in 1894.

NO PANIC IN CANADA.

Nobody who has read the financial and trade history of this country doubts for a single moment that the conserving power of the national policy from 1891 to 1895 did great things for Canada, preserving her in a position enjoyed by very few other countries in the world. Let me give an outside authority for that—an authority who has been quoted in this House before, a famous statistician and publicist, the Hon. Mr. Wells, who in the Forum of 1894 wrote as follows:

In the Dominion of Canada, separated from us on the north by an imaginary line, there has been no panic, no unusual demand for money, no stoppage of industries, no restriction of trade, no increased rate of interest; in short, nothing beyond the ordinary course of events, except so far as these events may have been influenced by contiguity to what may be termed a financial cyclone whose pathway of destruction was contiguous to, but not within Canadian territory.

That is a statement of great force and great worth, coming from the eminent man who penned it. Well, Sir, that period of 1891-5 was one of well-sustained activity in the Dominion of Canada. There was a disturbance of trade; there was a falling off in imports; there was in one or two years a slight falling off in exports. But, Sir, by 1894 the tide had turned, and we were on the uphill course, as was shown by such signs of prosperity which the hon. gentleman mentioned in his budget speech. From 1894 into 1895 and in 1896, the progress of this country was upwards in a ... of greater ... them ...