

mates, but that unluckily he was mistaken. The hon. gentleman was frank enough to tell us—and I am bound to say it is more than the hon. gentlemen on his side usually admit—that he did not claim that all the prosperity which he says exists in Canada was solely due to the influence of the National Policy. This, Sir, is a valuable admission, and one which I hope gentlemen on the other side will bear in mind. When we come to consider the causes to which such prosperity as we do enjoy is to be attributed, I think we will see the value to be attached to that confession. The facts are that while we have been blessed with a remarkably good harvest there has been a great scarcity, amounting to positive famine, existing through a large portion of Europe; that prices and wages have gone up in the United States, and, as a consequence, there is an improvement in that country—an improvement which gives us better sales for our lumber, and, in certain cases, better rates of transport for our transportation companies. Now, are we to understand that all these things are due to the National Policy? Is it due to the National Policy of the Finance Minister that there was something like six month's continuous rain on the other side of the Atlantic, or are we to understand that the improvement in the United States which has reflected itself on us, which has increased the demand for our lumber and gives us better rates of transport, was produced because the hon. gentleman has been at great pains to reduce our trade with that country; while as to his claim of creating an improvement in the lumber trade and shipping trade, why, Sir, these are the two great interests which he has most hampered and embarrassed; and yet it is for the improvement of these interests that the hon. gentleman takes credit to his Tariff policy. But I perceive that the hon. gentleman has one special cause of exultation. Other things may have disappointed him. He may have made mistakes in computing the amounts he had to pay or the amounts he had to receive, but there was one thing as to which he has not disappointed himself or his friends. The hon. gentleman set himself to the task of reducing the volume of our trade, and he has succeeded admirably. He says our condition is much improved in this respect, and he

absolutely boasts that our imports have fallen off and are still falling largely. Well, Sir, there have been persons not altogether unknown in economic circles who have demonstrated pretty plainly that if the exports of any country exceed its imports, that excess arises mainly from this circumstance: that a nation exporting more than it imports is either getting the worst of the bargain or is indebted to other nations, which, though true, is certainly not a cause for great congratulations on our part. I would like to call the attention of the House to some remarkable statements made a few years since by this same hon. gentleman from the very seat he now occupies, which I think will show that there was a time, not so long ago, when a great increase in the importations of the country was not regarded as quite such an alarming circumstance by the hon. gentleman opposite. Here are his words, taken from his own Budget Speech in the Session of 1873:

“Suppose there should be no increase in the importations and in the general trade, which is supposable, but which certainly will not be realised. Let us see what our position would be, then, in the event of our having to fall back on increased taxation. To make up the deficiency, I have stated that in the last five years the average duty collected on imports was 12½ per cent. For the first six months of the current year it was not 10 per cent. Suppose it became necessary to impose additional taxation upon the people, equal to that which has been exacted during the first five years of Confederation, by increasing the average from 10 to 12½ per cent. Has taxation in the past been oppressive? Have our people felt it grievous and hard to bear? I think not. But let us apply that increased taxation to the imports of the present year, which will probably be \$125,000,000. This would give us \$3,437,500 to meet the interest and sinking fund and the commission, amounting altogether to \$3,367,000.”

Now, Sir, you will note three things here: 1st, It was not even “supposable” that our imports would fall below \$125,000,000. 2nd, That our rate of taxation was not to be increased more than 2½ per cent. 3rd, That all this was so perfectly certain that we might safely embark in undertakings invoking an addition of several millions a year to our annual expenditure for interest alone; and he goes on to justify on this account the enormous burdens he was then asking permission to lay upon the people. The hon. gentleman who made those statements is now Finance Minister once