

trade in order to convince his hon. friends of the Opposition, if it were possible to convince them of anything on this question, that their doctrine was exaggerated beyond all reasonable limits. They were too much doctrinaires in political economy; they laid down abstract principles and would never deviate from them. In doing so, they went much farther than Adam Smith and John Stuart Mill, whom, nevertheless, they admired as the two greatest writers in favour of Free-trade; and they were right in that opinion. Adam Smith recognised that Protection was advantageous, under certain circumstances. He said:

"To impose duties upon foreign, for the encouragement of native industry, when burthens are laid upon it by foreign nations, is one of the cases in which it is advantageous to protect in this way the home productions. For to lay suitable duties upon the productions of the foreigner who lays burdens upon yours, does not give the monopoly of the home market to the home producer, nor turn towards any particular employment, more capital and labour than would naturally go there. It only hinders that amount of those actually engaged, from being turned away into a less natural direction, and leaves the competition between foreign and domestic industry upon the same footing as before the protecting duty so laid and retaliated."

He (Mr. Houde) would ask any logical mind whether that proposition laid down by Adam Smith did not apply exactly to Canada's situation, in regard to the United States, which, by imposing heavy duties on our products, deranged the natural course of trade between the two countries. In order to re-establish that equilibrium, it was necessary to treat, at least to a certain extent, the products of the American Republic as it treated those of the Canadian Confederation. Adam Smith admitted that to be defensible on true and sound principles of political economy. John Stuart Mill also admitted another important point which completed the justification of the National Policy proposed by the present Government. He acknowledged the plausibility of Protection, under certain circumstances, in these words:—

"The only case in which, on mere principles of political economy, protecting duties can be defensible, is when they are imposed temporarily, especially in a young and rising nation (as Canada was) in hopes of naturalising a foreign industry, in itself perfectly suitable to the circumstances of the country. The su-

periority of one country over another in a branch of industry often arises only from having begun it sooner. There may be no inherent advantage on one part, or disadvantage on the other, but only a present superiority of skill and experience. A country which has this skill and experience yet to acquire, may, in other respects, be better adapted to the production than those which were earlier in the field; and, besides, it is a just remark of Mr. Rae, that nothing has a greater tendency to promote improvements in any branch of production than its trial under a new set of conditions."

He (Mr. Houde) would again ask his hon. friends on the left benches, whether that proposition laid down by John Stuart Mill did not apply to the situation of Canada in regard to other countries, particularly to England, and whether, with the one laid down by Adam Smith, it did not cover the whole ground on which the principle of the policy of the present Government was founded. But what was the use of quoting foreign writers as authorities? The country and the House could furnish many a Liberal authority in justification of the political economical principles involved in the new tariff. In 1871 there was formed in the Province of Quebec a new party called the "National Party." That National Party enlisted under its banner almost the whole of the Liberal party. Such old and prominent Liberals as the Hon. T. Fournier, the Hon. L. Letellier de St. Just, the Hon. P. Pelletier, three gentlemen who had been colleagues in the late Administration with the hon. leader of the present Opposition, put themselves at the head of that organisation. They held a great meeting at Montmagny, and there advocated the National Policy, which this Government was giving to-day to the country. In order to give an idea how far they did go, he would read an extract from a speech of the Hon. Mr. Pelletier, delivered at another large mass meeting in Quebec, on the 28th of March, 1872. It was as follows:—

"The manufactures, the different branches of industry that we could develop with no such advantage, do not meet with sufficient protection. \* \* \* Our country offers immense advantages, and yet it is behind the whole of America, thanks to a want of encouragement to our manufactures, and of outlets for the sale of our products."

That was, certainly, Protectionist enough; but that was not all. Another hon.

Mr. HOUDE.