

labour. We had bought the results of foreign labour to a larger extent than we had shipped labour products out of the country, and the fact remained that the balance must have been paid for in money in some shape. As we had not that money, he concluded that it must have been borrowed. This kind of thing would have to stop soon. We were buying all the time more than we were sending out labour for, and he asked in what sort of shape would we be when we could not borrow to pay for our purchases. The result would be a more frightful depression than we ever had before. So far as the Government were concerned, when that happened—and the time would come sooner than was anticipated—direct taxation would have to be resorted to in order to pay our debts. When this fact was properly put before the people, they would come to the conclusion that direct taxation was a greater bugbear than the impalpable taxation of the protectionists. Our expenditure for the last five years had been \$17,000,000 for iron, and for articles which could be manufactured here \$20,000,000 in addition. What a short-sighted policy, when the materials were in the country only waiting to be taken out of the ground. What would they think of a farmer who would buy milk because he was too lazy to milk his cow? Yet we occupied such a position, and the time may come when we will have no cow to milk. The remedy was to put on sufficient tariff so as to encourage manufactures, which would reduce the imports to the extent of \$25,000,000. It would not take a very high rate of duty to accomplish this under this policy. In five years the whole import of manufactured goods would come down to 30 or 40 millions. The benefit of protection was exemplified in the case of the United States, where, after so great a calamity as the civil war, they had already turned the balance of trade in their favour. This could not have been done under any other system. We could never become a great country until we produced our own manufactures, and used up the raw material that God had given us. The tendency of the free trade policy had been to separate rather than to bind together the different Provinces of the Dominion, and under such a system community of interest was prevented, and national feeling rendered impossible. The speaker proceeded to refer to the sugar refining business, which he asserted free trade had ruined in Canada. He contended that it would be useless to subsidize a line of steamers to do the West India business, so long as they carefully destroyed the only means of working such business. The only thing to do was to put on a tariff which would enable Canada to manufacture. With regard

to the proper policy for them as manufacturers to pursue, there could be no doubt that they would have to enter into the next election. The fact that many of them were Reformers and strong party men did not lessen their duty to themselves and their country so far as this question was concerned. They should see that the men who were nominated at the next Reform Convention were men who would tell the Government that on this question they would have to change their policy or get out. He had no confidence in the honesty of either party, but if the course he recommended were pursued he fancied that as much could be got from the fears of the Government who were in as from the promises of the party who were out. If there were only twenty members in the new House who were pledged to protection, they could, at the right time, get the controlling power of the Government. Their interests in this case were the interests of the country, and, in determining upon better measures to preserve our industrial life, they would, at the same time be doing everything to preserve the national life. (Hear, hear.)

The following committees were then appointed:—

Business—Messrs. J. Booth, J. Ritchie, W. H. Frazer, Watson and Warnock.

Finance—Messrs. McInnes, E. Gurney, R. Hay, Warnock, Wilkie, Riordan, and Pig-gott.

Resolutions—Messrs. McKechnie, Dickenson, Bell, Elliott, Simpson, Gurney, D. F. Jones, Barber, McArthur, Green (Montreal), and Senator Read.

The Convention adjourned till 7:30 p.m.

EVENING SESSION.

The President took the chair at half-past seven.

ORDER OF BUSINESS.

Mr. John Ritchie, jr., presented the report of the Committee on the Order of Business recommending that each speaker be limited to fifteen minutes.

The report was adopted.

RESOLUTIONS.

Mr. James Watson, of Hamilton, presented the report of the Committee on Resolutions, embodying the various resolutions which were to be brought before the Convention.

The report was received.

FINANCE.

Mr. D. McInnes, of Hamilton, presented the report of the Finance Committee, which represented that there was a deficiency in the Association's funds of \$867, from which was deducted the subscriptions of that day, amounting to \$130, leaving an

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