

to deal with it far more mercifully than we might otherwise felt disposed to do. These two propositions then, I submit, are clear—that that country will give rise to an enormous trade and that it is a policy of the greatest prudence and wisdom and has been, up to the present at all events, the undoubted policy of this Government to retain that trade, like the trade of all parts of the country, for our own people.

I make this assertion, and will proceed to prove it, that if this charter is granted to these American promoters, that the trade will go to the United States and cannot be retained for our own people.

Mr. WOOD (Hamilton). That is absurd.

Mr. McINNES. The hon. member for Hamilton says that proposition is absurd. I say that I can prove it; and if he can disprove it, I shall be very happy to hear him enlighten this House when I sit down. It seems to me it is a self-evident proposition to any person who is familiar with the geography of the western part of this continent. If any person who has watched with any interest at all the course of commerce in this new district, it is practically a self-evident proposition that if this connection is made with the American railway system, that trade will flow south and not east or west. It has been suggested, however, that there is sufficient protection afforded by the tariff to give the advantage to Canadian trade against competition from the south. Well, we certainly know that the protection afforded by the present tariff will not have that effect. And the fact that it will not was dwelt upon by the Minister of Railways this session and by other members of the Government and was embodied in the Yukon Bill. Because you will remember, Mr. Speaker, that the Yukon Bill provided that there should be no competition whatever from American roads, and there would have been no necessity for such a provision if the tariff gave us sufficient advantage over the Americans. That proposition is, therefore, admitted by the Government, and it was admitted by every hon. member on this side who supported that Yukon Bill, namely, that the tariff itself is not a sufficient protection to give the trade to Canadians against competition from the south.

The contention was put forward in the Railway Committee by the advocates of this charter, that at present the bulk of the trade which is going into the Kootenay over these American roads was actually in Canadian goods. I took the trouble to make inquiries at the Customs Department, and found, so far from that being true—and I knew it could not be true—the very reverse was the case, and as the data may be of some value to hon. members in coming to a conclusion, I will read a few of the figures which will show conclusively that ever since the trade of the Kootenay amounted

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to anything, and ever since this connection by Mr. Corbin's road with the American railway system, the great bulk of the trade with that country has come from the south and not from eastern Canada. I have in my hand a pamphlet which is issued by the South Kootenay Board of Trade; and as it contains a few figures on this point, I will give an extract from it:

Take Nelson, for instance, one of the chief towns of the district. It was made a port in August, 1895. Previous to that time it was an outport of New Westminster. The collections there have grown so steadily that their total was more in 1897 than the total of the seaport of Vancouver, the collections at Nelson being \$431,038 as against \$407,762 at Vancouver.

In order that you may grasp the situation, let me point out that Vancouver is the third shipping port of the Dominion. And yet these figures which I have had verified, I may say, by the Customs Department, show that the imports into the Kootenays amount to more than all the imports at the city of Vancouver. The statement was made before the Railway Committee that, in the early days in the development of the Kootenay, the trade had gone south to the United States for the reason that the manufacturers of eastern Canada had not, up to that time, sufficient experience in manufacturing supplies suitable for a mining district, and that, until they got the machinery necessary to turn out supplies suitable for the trade there, the Americans, who had the experience, controlled the business. But I will quote figures which will show that, year after year, as time goes on, the trade with the United States is becoming larger. In 1895 the value of the imports at Nelson were only \$397,393. Two years later, in 1897, they jumped to the enormous figure of \$1,539,993, an increase of almost 500 per cent, and the duties collected increased in corresponding ratio. It was further argued that the imports into Rossland from the United States at the present time amounted to one-tenth of the imports from eastern Canada. Now, I have a statement before me, signed by a clerk of the Customs Department, which absolutely refutes that. In 1895 the duties collected at Rossland was only \$14,349. In 1897, two years later, there had been an increase of about 1,000 per cent, the duties collected amounting to \$122,646. So, it is absurd to say that the trade with eastern Canada is increasing or that eastern Canada is getting the bulk of that trade, as against the Americans. As I stated when this matter was before the Railway Committee, the facts are well known, that the trade of the Kootenays has been going to the United States, and it is unnecessary to adduce further figures in proof of it. Every person in British Columbia is aware of the fact, as also is every person who has had the pleasure of a trip through that country. The hon. Minister of Railways and Canals saw it, and pictured it in glowing terms