

Sir LEONARD TILLEY. Yes; some of the Americans connected with these operations.

Mr. BLAKE. Then, the statement at that time was not that they would manufacture in case the Tariff, as it stood, was maintained, but in case further encouragement was given to the extent of \$5 to \$7 per ton.

Sir LEONARD TILLEY. They were to get further encouragement.

Mr. BLAKE. Then I say that the hon. gentleman was very unfortunate in the mode in which he communicated the proposals of these manufacturers on that occasion, and there are other hon. gentlemen of the Administration who also were unfortunate in that respect. What was stated to this House and to this country before the last Election was, that there were millions of capital awaiting investment in the country if the permanence of the Tariff as it stood was secured; what was true was, that there were persons who said they would invest millions provided the Tariff was altered further to their advantage; and they demanded, as a condition to that investment, a specific sum of from \$5 to \$7, while the hon. gentleman proposes only an aggregate advantage of \$3.50. So the condition upon which they were to come here was a condition which the hon. gentleman had not decided to give; which he never decided to give; which these people never thought they would get at all, and it was not a condition of the maintenance of the existing Tariff.

Sir LEONARD TILLEY. The position was this: These gentlemen came here and asked us what the opinion of the Government was with reference to the permanence of this policy. They said they knew the policy was one to protect the industries of the country as they were being developed. The answer the Government gave was, that there was no question about the permanence of this policy. The reply we met with was: "We are led to think differently." The *Globe*, the paper most read in the United States, says that whenever the people shall have an opportunity of expressing their opinion of the policy, it will be repealed; if we are satisfied that the policy of the Government is a permanent policy, then we are satisfied to come in and invest our capital.

Mr. BLAKE. Provided—

Sir LEONARD TILLEY. No; those parties put the proposal in general terms. In discussing the subject, these men said: "We understand that your policy is that when capitalists are ready to come in and develop the industries of the country, you will give them protection." We said: "Yes; we judge, by thirty-five bye-elections which have gone in favor of the Government, that the policy will be sustained; and we say to you that if that policy is sustained, such a duty will be imposed on iron as will be justifiable, and as will be sufficient to encourage the development of our iron resources." We promised that the matter would receive our consideration and our encouragement, and that promise we are fulfilling by asking Parliament to grant this encouragement, and I have no doubt what the result will be.

Mr. BLAKE. Yes; but what the hon. gentleman told Parliament and the country was that there were millions of capital waiting to come in, only if the capitalists were assured that the Tariff would be permanent.

Sir LEONARD TILLEY. No; it was not. Let the hon. gentleman look at *Hansard*, and he will find no such statement.

Mr. BLAKE. One of us at a time. If the hon. gentleman had told us that the conditions were the imposition of further duties, and the granting of further bounties, then he would have told us what the exact state of the case was; and if he had gone further, and said: "We offer you the

investment of millions of capital on these conditions, and we propose an Act of Parliament for the imposition of these duties, and the granting of these bounties; and we will take the sense of the people on this proposition," then he would have stated the facts as he intended them to be. But he did not tell Parliament, or the country, that the condition on which these persons was to come in was the adoption of large bounties for the manufacture of pig iron. If he did, let him point to the paragraph, or the phrase in which he announced that condition. He did not say that it was only on condition of large additional duties—aye, very much larger than what he now proposes, viz.: a specific duty of from \$5 to \$7 a ton—that he would attract these millions, which he told us could be attracted if the Tariff was maintained. What he now says is, that they could have been obtained if the Tariff was advanced.

Sir CHARLES TUPPER. Do I understand the hon. gentleman to say that the hon. Finance Minister, in the statement he made last Session, stated that those millions that were about to be brought into the country, were to be brought in alone in connection with the iron industry?

Mr. BLAKE. No; I do not.

Sir CHARLES TUPPER. Well, then, I fail to see the object of the hon. gentleman's speech.

Mr. BLAKE. Perhaps the hon. gentleman did not hear the beginning of this discussion.

Sir CHARLES TUPPER. Well, perhaps I was unfortunate; but I gather that the hon. gentleman is charging the hon. Finance Minister with want of candor to the House in his statement previous to the Election.

Mr. BLAKE. I am.

Sir CHARLES TUPPER. Because he said that the confirmation of the National Policy by the country, would, he believed, result in bringing millions of capital into the country for the development of Canadian industries. The hon. gentleman finds a foundation for want of candor on the part of my hon. friend, by saying that if additional protection were given to the iron industry, capitalists would be prepared to engage in that industry. The two statements are quite correct, and they do not conflict one with the other. My hon. friend stated his belief that the confirmation of the National Policy by the people would remove the doubt that hon. gentlemen opposite had for four years been thrown upon its permanency. From day to day they confidently stated, that the moment the people got the opportunity, they would sweep away the policy, and the Administration with it. That was the cry from the first moment the National Policy was placed before this House and before the country. That cry was taken up outside by the Opposition press, and was echoed and re-echoed, not only in this country, but all over the world; and people who did not understand the hollowness of the statements of hon. gentlemen opposite, as we understood them, attached too much importance to them, and believed them. The right hon. gentleman who leads the Government, felt, under the circumstances, that the best service he could perform to the country was to set that question at rest, and he took the only way in which he believed he could silence these hon. gentlemen. But it appears that even in that he was mistaken; for, although we went to the country, and the overwhelming voice of the people re-affirmed their confidence in this policy, and their desire that it should be maintained, yet we are told that it only rests on a foundation of sand. The statements of the hon. Finance Minister were well founded. He merely expressed his belief—his confidence—that the confirmation of the National Policy by the people of Canada after four years experience, would lead to the bringing of millions of additional capital into this country to develop its resources. Were his statements well founded or not? Sir,

Mr. BLAKE.