

trade but also in the revenue derived therefrom, as we have seen in the last two or three years \*  
 Whereas a few years ago with a total population of 3,600,000 souls we imported something like \$127,000,000 worth of goods, we found ourselves with a population of 4,000,000 importing a little over \$94,000,000 worth. In other words the total imports have fallen off from an average of \$35.25 per head to something like \$23.50 per head. There has been an enormous shrinkage in the lumber trade from \$28,000,000 to \$13,000,000. There has been a great shrinkage in bank stock and one of these institutions has gone altogether. The depression in real estate has been general and long prevailing and entails an enormous loss. Our imports have fallen off because we have been so poor that we have not been buying much.

That was the state of things when these gentlemen and their friends gave up the reins of office in 1878. That is their own version of what the state of the country was at that time, and the glowing things they say now regarding the state of the country at the present time is rather a compliment to their predecessors because the prosperity has come in when the labours of the previous administration were beginning to bear fruit.

Hon. Mr. MILLS—Fourteen years.

Hon. Mr. FERGUSON—I hope when my hon. friend has been in power even less than fourteen years he can point to the country going forward in a state of prosperity such as he says Canada enjoys at the present moment. The hon. gentleman had a peculiar manner of showing that the people's burden would be lessened in a few years, viz., by increase of population. It would be very much more assuring to the House and to the country if my hon. friend would tell us that the public burdens were to be lessened by a strict policy of economy and reduction of expenditure on the part of himself and his colleagues. I think that is what we have a right to expect from my hon. friend instead of this assurance that when there comes a very large population into this country the burden will be lessened because there will be more shoulders to bear it. It is quite true when the population is increased there will be more shoulders to bear the burdens, but if the policy of my hon. friend and his colleagues, as shown in the last two budgets brought down in this parliament is continued, they will at least in the matter of public expenditure keep pace with any increase that may occur in the population of the country. My hon. friend the leader of

the House expressed himself to the effect that our position now was a very happy one from the fact that Canada had secured the friendship of England through the efforts of the Laurier administration. In reply to that I would say we have had the friendship of England for a long time in quite as great a degree as at the present moment. It is not a new thing for Canada to enjoy the friendship of the mother country, but my hon. friend is wrong in his views as to our receiving the friendship of England now for almost the first time—one would infer that was the state of things to which he was referring—I have in answer to him to say that in my humble opinion the conduct of the government of which he is a member, and particularly the leader of that administration, has been to minimize the advantages we had a right to expect to arise from that friendship for Canada. We have had a great desire in Canada for a number of years to obtain a preference for the products of Canada in the British market. On that question a great deal of discussion had taken place, and there was a consensus of opinion in Canada that that was a very important question and fraught with great benefit to us. I thought there was but one opinion in Canada on that subject. Not very long ago the only doubt we had was whether we could impress or had impressed the public mind of Great Britain on that question to such a degree as would lead them to look at the subject as we were looking at it. But very fortunately within the last few years, an important change has taken place in the minds of many of the public men of England on the commercial relations of Great Britain towards the colonies. The first really notable instance of that change of sentiment on that question is found in the very remarkable speech delivered before the Canada Club in England by the Right Hon. Joseph Chamberlain, Secretary of State for the Colonies, in March, 1896. On that occasion—I have the speech in my hands—the right hon. gentleman indicated that, speaking for himself as he said, and it was found later on that he spoke for many prominent men as well as himself—he declared himself willing to depart from the strict principles of free trade in order to meet any desire that might exist in the colonies to establish some closer relations between the mother country and the colonies. As far as I could hear him the hon. Secretary of State