

own province, and for all the maritime provinces if he could have persuaded them to join with him?

Now, as to the surplus, I quote my hon. friend, not his very words, but the sense. He said: If this surplus of \$30,000,000 had been got by burdensome taxation, or by virtual increase in the rate of taxation, then, possibly, we should have no right to continue it; but the rates and taxes are lower to-day than they have been in the past. Now, we have discussed that question from my standpoint in this House, and other hon. members have discussed it. I have here a return which was prepared by the government, and which gives the quantity, value and duty, the average duty rate and the average unit price in 1896 and 1910.

Of articles imported into this country which are subject to ad valorem duties, a comparison of the list shows that of the 156 articles mentioned therein, on 29 the rate paid in 1910 was higher than that paid in 1896, on 34 it was practically the same, on 11 the reduction in 1910 upon the rates of 1896 was less than 1 per cent, on 11 others not more than 2 per cent, on 15 others from 2 to 3 per cent, and on 22 from 3 to 5 per cent, with the remaining items running below a 5 per cent reduction. This shows, on the whole, a very trifling diminution of the ad valorem rates of 1896.

When, however, we compare the average rate on dutiable imports in 1910 and 1896 which stood at 26.71 per cent and 29.79 per cent respectively, and remember that the prices of goods have advanced on an average thirty or forty per cent between the two periods, it is apparent that even this small reduction of three per cent in rate is far more than counterbalanced by the enhanced price of the articles on which the rate is enacted. The hard fact stares us in the face also that the estimated taxation for the year 1910-11 is \$89,350,000 as against \$27,700,000 in 1896, or \$11.50 per head of the population in 1910 compared with \$5.40 per head in 1896.

With these facts and figures in mind there need be little doubt as to the rate and burden of taxation under the present government as contrasted with its predecessor.

I now desire to spend a little time over the matter of trade. The general figures for our trade are very satisfactory. They are, however, the figures of the foreign trade only, and I would like to suggest to the Minister of Finance whether it is not possible and exceedingly desirable that a Finance Minister shall be in a position to tell us something each year of the conditions and progress of the interprovincial trade in this Dominion.

I am not prepared to say what is the proportion that foreign trade bears to inter-

Mr. FOSTER.

provincial trade in Canada, but I am quite certain that it is many times greater than the foreign trade. It is the life-blood which circulates constantly from one limb of this country to the other, forcing itself through all parts of the body and giving it vitality and growth. It is the trade which, in almost its entirety, is the result of two productions, each one of them productions in Canada. For instance, your British Columbia fruit grower raises his fruit in Canada, sends it to the producers of meats, or cattle, or grains, in the prairie provinces. The prairie provinces raise their cattle, their meats and their grains and send them in exchange to the province of British Columbia for the fruit which they have raised—two productions, both in Canada, one in British Columbia and the other in the Northwest. The interchange between them makes the trade, all the profits and all the advantages remain in the country itself, and, more than that we have the population, the labour, the home building, and the absolutely essential accumulation of wealth in the country itself. That is why I think that a Minister of Finance who does not try to give, even if it be an inadequate, yet a somewhat approximate idea of the immense stream of interprovincial trade and commerce which is going on between east and west, north and south in our Dominion, fails to give the country an adequate idea of what it is doing. Trade between a country outside of Canada and Canada itself necessitates one production and one set of profits absolutely outside of this country. The other production and the other set of profits that belong to it are all that remain in this country. Whatever tends to encourage the volume of production of what the different provinces need in the different sections and parts of this country and which leads to the interchange between the different parts of the country of these products, is for the upbuilding of the country. Whatever tends to discourage it is not for the upbuilding of the country but has the contrary effect. Nobody is foolish enough to argue that the time ever can come or should come when there will be no foreign trade. Have all the development possible of interprovincial production and trade and you will have an increasing quantity of foreign trade. All the same, it is the duty of every country to strive to make the most possible of production, and interchange within the limits of the country itself, and as far as possible to relatively lessen the interchange with foreign countries. The first thing then which we note in scanning the trade figures that we have is an entire lack of anything which will give us any idea of this internal production and trade which are so important. The figures of foreign trade are magnified and looked upon as the chief if not the sole indices of progress and advancement. Again