

fittable in the lower Provinces. That has been the case, especially with the cotton industry. Persons who invested their capital in the institution at Moncton in 1883 I know have never received, since that time, on the capital invested, more than one dividend of 2½ per cent. The mill has been kept in operation and has been a great boon to the people of Moncton. The shareholders have not benefited, but the community in the vicinity has. If these local industries had been swamped by the larger factories of the upper Provinces trade would have centred here and the large establishments could have controlled prices as they pleased. Then, in reference to the sugar refineries: when I was on the Committee on Banking and Commerce I heard the statement made by a gentleman from Montreal who has been represented here as a most honorable and upright man. If it is true, as stated, that he would not enter into that combine of the wholesale grocers because he wanted to sell his sugar at less than it cost him, I say that that is not, from a business point of view, an honest transaction. It is said that he put an additional price on his goods—

HON. MR. McCALLUM—Who says that?

HON. MR. PROWSE—Do you deny it?

HON. MR. McCALLUM—I am not Mr. Matthewson.

HON. MR. PROWSE—If it is not so I withdraw it, but I understood that he sold his sugar for less than it cost at the factory and would not join the combine. I say a merchant who does business that way is not, from a business point of view, doing an honest business. He must have a fair living profit on the goods he sells, and if he does not get it on one article he must get a sufficient profit on something else to make up the loss on sugar. What is his object? It is to swamp out the smaller dealers alongside of him. It is to bring his neighbor, who does a fair trade, to bankruptcy.

HON. MR. McCALLUM—My hon. friend has set up a man of straw and knocked him down.

HON. MR. PROWSE—I think that position has been fairly taken. It has been stated that the profit that these wholesale

grocers make does not exceed 2½ per cent. Any one who knows anything of business, whether he is a merchant or a farmer, will not dare to say that 2½ per cent. on any commodity is an exorbitant profit. If it can be proved before the courts that these monopolies are making an unreasonable and undue profit, I take it for granted the courts of the country will find them guilty of doing that which is unlawful and unjust and punish them accordingly. It has been said that there is no friendship in trade, and that leads me to this conclusion, that these combines were never established for the purpose of raising prices and keeping them at a high rate through monopoly. These industries have been forced into these combinations for self-preservation. We know that it was anticipated, especially by the advocates of the National Policy, that when that policy would get a fair footing in this country there would be a boom in business from one end of the country to the other. People were sanguine and hopeful, and were induced to put their money into manufacturing enterprises beyond the requirements of the country. The consequence was that business was overdone. One way to preserve the smaller institutions was by combining with the larger ones, so as to keep them running until our Western Territories become settled and a market could be found for their products. My hon. friend from the Western Territories tells us that there are no millionaire farmers. If there are not, there are very few bankrupts among them. It is said of a commercial community that not more than one in ten of those who enter into speculations succeed. It is not so with the farmers. They may not be able to make an immense amount of wealth in a short time; it is only by speculation that is done, and those who do it have to risk large sums of money to accomplish it. The farmer, although he is not rolling in wealth and luxury, is perhaps the happiest man in the community after all. It must not be supposed that those who own shares in those large manufacturing establishments are all millionaires. They are owned by joint stock companies, and many of the shareholders are very poor people, widows, and perhaps orphans, who have very little else to depend upon beyond the little pittance that they have invested in