

in too high prices; for, then protection would be a burden upon the consumer, and the consumers are the masses of our population. Up to 1896, an out and out protective policy has obtained in Canada, and I may say that it has almost resulted in failure. Since the coming into power of the present government, we have a tariff revenue. I hope that, in view of the results secured under the new regime, that tariff will not be interfered with. As we all know, the commission appointed to study that important problem has consulted every class of the community, and the commissioners have made an exhaustive and conscientious investigation into that matter. Their report will soon be brought down. However, I do not think there is anything that warrants us anticipating any radical changes in the present tariff which has, so far, met with the approval of the country. For my part, Sir, I do express the hope that nothing may be done to impair the principle underlying the present tariff. Reference is also made in the speech from the Throne, to the inter-provincial conference which has just been held in Ottawa. It is not the first time that provincial ministers meet together in order to frame and vote resolutions with the object of claiming better terms from the federal government. In 1887, the question of the readjustment of provincial subsidies came up before the interprovincial conference, where important questions were discussed and resolutions adopted. Later on, in 1902, it was again taken up; but at that conference, as well as the conference held this year, the debate was almost exclusively confined within the limits of the question of provincial subsidies. The argument put forward by the provinces in support of their application for a readjustment of the provincial subsidies, is this: that on the one hand, the increase of their revenues is insufficient to meet the increased cost of the administration of justice and public education; while on the other hand, the revenue of the Dominion government is expanding by leaps and bounds. At the inception of confederation, owing to the establishment of a central government, the provinces were deprived of a portion of their chief sources of revenue, such as the customs and excise duties. In 1868, the province of Quebec was allowed 7½ per cent of the customs and excise duties; and in 1902 she received only 2½ per cent, that proportion being still smaller to-day. If the provinces are no longer able to properly administer public affairs, on account of their inadequate revenues, being given the development of the country and the needs of an increased population, the Dominion government, I think, ought to come to their aid and make them participate more liberally in their ever-increasing revenue. The idea conceived by the provincial ministers of meeting together and debating those important matters of public

policy, is certainly one that should commend itself to public attention. The Dominion government, I hope, will give that question their best consideration, and I have no doubt they will find a just and fair solution.

Reference is made in the speech from the Throne to the prosperity and progress of Canada, and I think it is a gratifying fact that this chamber is able to answer, irrespective of party affiliations, that the country during the last year has certainly progressed. Upon that point, we are all agreed. Signs of prosperity are now visible on every side; and although, in 1896, many people had not very sanguine hopes, nobody can dispute the evidence of a fact as clear as the light of the sun. New industries are being built up as if by magic; while in the older industrial establishments the works are running up to their full capacity, and considerable development is taking place. The salaries paid to wage-earners are higher than ever before, and in the labour market the supply is unequal to the demand. Mortgages, with which formerly farm lands were encumbered, are now on the decrease. The immigration tide is rising fast and immigrants are flocking by the thousands into the country; in a word, the greatest activity prevails everywhere. Our trade is increasing by leaps and bounds. In 1896, the trade of Canada, which amounted to \$240,000,000, had reached on July 1 last, the five hundred million mark (\$550,000,000). If we consider separately our imports and exports, the mining industry, the output of our manufacturing industries, the products of the farm, and if we compare them with the figures of 1896, the result will be the same as that shown by the comparison between the trade of 1896 and that of 1906. Now, Sir, the same abundant prosperity that is enjoyed by the people of western Canada permeates also the eastern provinces and every section of the country. To sum up, I may say that, within the last few years, Canada has developed into a magnificent country with the brightest future before her. The prosperity of Canada may be ascribed to various causes, but to speak out my mind, I think that the prosperity we are now enjoying is the result of a bountiful Providence and of the good government of the past few years. The era of our prosperity dates from the day when peace and harmony began to prevail in this country. Mr. Speaker, I need not dwell upon the condition of the country prior to 1896, nor to the sombre picture of that period when race and creed wrangles between Protestants and Catholics, between people of French origin and the English-speaking people had been going on for years and led the country to the verge of civil war. Now, thanks to a policy of harmony and conciliation and the patriotism of the government now in power, peace and quiet were restored, amicable relations were established between the differ-