engaged, so far as I am myself personally concerned—and I believe that is true with reference to several others in the same line—we had last year perhaps the most successful year we have had in our business career.

Mr. PLUMB. It all ends in smoke, though.

Mr. PATERSON. No, there is some taffy in it. The hon. gentleman would like to know, perhaps, what the reason of it was. I will tell him one of the great reasons why we are doing a better business. After the introduction of the National Policy by my hon. friends opposite many of the largest manufacturing concerns in that line failed, closed up, the machinery was torn out, the hands were discharged and had to find their way to the United States, and the places have not been reopened. That took place subsequent to the introduction of the National Policy. My good friend who sits in front of me knows one of the large establishments. The hon. member for London (Mr. Carling) knows another of the largest establishments, and the hon. member for Lincoln knows another. Every one of them were in the position I pointed out after the introduction of the National Policy, and some of them months after it came in.

Sir LEONARD TILLEY. Under that protective policy given by the late Government, with 10 cents more added?

Mr. PATERSON. No. Under the protective policy of the hon. gentlemen opposite. That is one of the industries the hon. gentleman did not protect additionally.

Sir LEONARD TILLEY. We gave 10 per cent. to it over and above that splendid Tariff you are boasting of.

Mr. PATERSON. Ten per cent., and the hon. gentleman will understand when I tell him, that he did not give any more protection for the same reason, the hon. Minister of Railways said the ex-Minister of Finance added his $2\frac{1}{2}$ per cent. protection by taxing raw material.

Sir LEONARD TILLEY. No.

Mr. PATERSON. He doubled raw material in these lines.

Mr. PLUMB. What was it?

Mr. PATERSON. He raised it on lard from one to two cents per pound.

Mr. PLUMB. Oh, lard!

Mr. PATERSON. When I tell the hon. gentleman this, he laughs; he does not seem to understand; but the hon. Finance Minister will understand that some of those institutions use tons of lard every week; and when they raised the duty on that one cent a pound they took away a large share of this extra 10 per cent. protection.

Sir LEONARD TILLEY. It is 10 cents a pound, and if you put a pound of lard in, you only pay one cent on that as increased duty.

Mr. PATERSON. Increased duty on what?

Sir LEONARD TILLEY. On cigars. I was aware they put glucose in them, but I did not know that they put lard.

Mr. PATERSON. I think when the hon. Finance Minister was in Brantford, he did me the honor to visit my establishment, and I showed him my bakery where biscuits are made.

Sir LEONARD TILLEY. I beg the hon. gentleman's pardon; I had forgotten. The other branch of his business is so frequently mentioned here that I had it in mind.

Mr. PATERSON. I know very well, of course, that the hon. Finance Minister cannot be expected to remember all the details of the many establishments he visits, but I may tell him that the cigar branch of my manufactory is but a small one, and that my principal industry is confectionery and biscuits, to the latter of which I referred when I spoke of lard. The duty on confectionery was raised to one cent per pound and 25 per cent. *ad valorem*, but the duty on the raw materials, such as sugar and lard was such as to largely reduce the benefits on the product. The same is true of the duty on agricultural implements and the bulk of the other manufactures of this country. The result of the increased employment of men by the men remaining in this business at the present time is largely explained by the fact, that under his policy many of the large institutions of this kind of manufacture, the machinery was torn out. Fewer men were employed in manufacturing the same line of goods, the demand became enhanced because of the good times, and the men in those trades are doing better than before. Now, I think I have made that sufficiently plain to the hon. gentleman.

Mr. PLUMB. That is a "candied" statement.

Mr. HESSON. Would a little more duty have saved those industries which the hon. gentleman says were crushed out?

Mr. PATERSON. No, certainly not.

Mr. HESSON. Then what is the hon. gentleman complaining of?

Mr. PATERSON. I am not complaining. I am supremely happy. I am merely stating that I am willing and anxious to give the Finance Minister all the credit that I can, but so far as that trade is concerned, any step he took was more to their injury than their benefit. The hon. Finance Minister knows, though the hon. member for North Perth does not, that, so far as that article is concerned, it had arrived at the second stage of protection before his policy came in; that we could produce more goods than the country required; that we have an excess of competition, so that the weaker went to the wall, the result being that fewer remained in the business, so that the imposition of the duty neither caused these men to go down nor prevented them from going down. So with regard to the great bulk of the manufacturers of this country. I shall give the House a few figures to show conclusively that the prosperity we are now enjoying is not attributable to the National Policy at all. On the 17th of September, 1878, the Government of the hon. member for Lambton was defeated. Hon. gentlemen opposite came in power, and I propose to give a list showing the comparative prices of bank stocks and various articles of merchandize on the 12th of September, 1878, and the 11th of September, 1879.

Mr. PLUMB. Why do you not take 1880?

Mr. PATERSON. I take a date immediately before the downfall of the Mackenzie Administration and another date a year after that under the new Tariff, which I think is a fair comparison.

Mr. PLUMB. No.

Mr. PATERSON. Why?

Mr. PLUMB. You know as well as I do.

Mr. PATERSON. If the National Policy was the cause of the rise in the value of bank stocks and of various products, then I think it is fair to take September 11th, 1879, one year after the Mackenzie Administration had fallen, and after the National Policy was fairly established.

Mr. PLUMB. Why?

Mr. PATERSON. You claim that the enhanced value of bank stocks and agricultural products was due to the National Policy. The Prime Minister even said before the Government came in power, that a change would be produced before the policy came into operation, but I do not hold the Government to that statement; but after the National Policy was put in operation then we might rightly look for its effects and expect them. The prices of bank