

manship and that for years it seemed an impossibility to establish in Germany either a naval or mercantile marine. But, by indefatigable zeal and by persistence, the German people have to-day a navy which has to be reckoned with in the politics of the nations. I mentioned also that concurrently with the increase of the German navy there practically disappeared the old wooden ship building industry of Canada. There came to the rescue of the Germans in their effort to found a navy the application of steam power to vessels and the utilization of iron and steel in their construction. The natural aptitude for scientific pursuits of the Germans gave them an opportunity to attain a certain mastery in seamanship. It would have been impossible for them to have become potent upon the sea if the old system of navigation had continued, and if conditions had not so changed as to render no longer necessary that expert seamanship which was required on the old sailing vessels. I referred also yesterday, with some satisfaction, to the announcement made by the Minister of Finance of the abolition of the surtax. I forgot to mention in connection with the panics of former days that they differed from the present day panic in that they were not to the same extent fostered by the yellow press. I think any one who has read the despatches containing the announcement of certain newspapers in England with respect to results which will follow from the removal of the surtax, cannot doubt that the yellow press is to-day a potent influence in fomenting these panics.

It almost leads to the suspicion that they do so for no other purpose than to increase the sales of their miserable papers. The grounds given by the syndicate of papers in England for their opposition to the removal of the surtax on German goods are in line with the remark made by Monck in 1666 when Great Britain was engaged in war with the Dutch. 'The justification of the war,' he said, 'is not this reason or that; but what we want is a greater share of the Dutch trade.' It would seem as if the gentlemen managing these papers in England care nothing at all about the fiscal relations between Germany and Canada, care nothing for the removal of those causes of friction between the two nations which have existed in the past and which to some extent continue to exist to-day. All they care for is a greater share of the trade of Germany. Let me compare the language used by these papers with the language used by gentlemen in this country to show that the surtax was removed, not in consequence of any result of the British elections, but solely in the best interests of Canadian trade. This fact is expressed in a Toronto paper by a gentle-

man whose opinions, I have no doubt, will be listened to with great respect by hon. gentlemen on both sides of the House—Mr. W. R. Brock, of Toronto, a gentleman well known not only in that city, but throughout Canada generally, and of course also well known to hon. members of this House, of which he was at one time a member. That gentleman is reported in the Toronto 'Daily Star' as having said of the removal of the German surtax:

It is better than ten Dreadnoughts, and to my mind it affords an excellent opportunity for this country to look into the very great expenditure on ships of war which they are about to undertake. They are always talking about a war with Germany, but it's not war that Germany is after, it is business. The fact that they have made very great concession shows that they are primarily a trading people. Broadly speaking—I like to speak broadly on such matters—it is of much greater importance to Canada to have the good opinion of Germany and the United States than to have a great expense like this navy will be. Peace and commercial intercourse are heralded by this treaty, not war.

And if you go to the root of this matter I believe you will find that it is to no great imperial reason, no idea of conquest on the part of Germany, that the difficulties between Great Britain and Germany are due, but that they are due solely to the endeavour of each nation to secure the greatest portion of the commerce of the world.

My object in calling attention to the growth of the navy in Germany was to point out, as I have endeavoured to do, that the difficulty which Germany was obliged to meet was similar to the difficulty which we had to meet in this country when our wooden ships began to be superseded on the sea by iron ships, and when we had the misfortune not to have developed our resources, nor to have accumulated capital sufficiently to enable us to turn readily from the construction of wooden ships, which required less capital and for the construction of which we had ample material, to the construction of iron and steel ships. That is not the case to-day. In the eastern part of Canada, in the province of Nova Scotia particularly, in consequence of the policy adopted by a former government of the province, of which my hon. friend the Minister of Finance was then the premier, the coal trade of the province assumed important proportions and increased to a very great extent. It has since become a most important industry in that province. As the result of the adoption of that policy, we have in Nova Scotia, not only the coal, but the iron and steel and all other essentials for the construction of ships. The same thing, or nearly the same, is true of the Pacific coast of Canada. So that for the construction of iron and steel ships we are in as good, nay, a better position in Canada than