

a free exchange of agricultural products with Canada.

The Michigan bean growers evidently do not. But, I judge from the equanimity with which the farmers generally receive the agreement, they are on the whole well pleased and that they do understand they have the best of the trade.

There is too much our farmers can grow in abundance which the Canadian cannot grow well or cannot grow at all, yet which the Canadian must have. The few figures I have given you at random from the customs reports on last year's business between the two countries seem to make that clear. Of course, if on so many different products the balance was so heavily in our favour in spite of a high duty, it must be apparent that under a free exchange the American farmer will derive a very great benefit from the natural stimulation of the trade, provided this agreement is ratified.

And the expectation of this paper is that when the barriers are taken down altogether, the American farmer will undoubtedly have the best of it. Now, at times in the United States there are enormous surpluses of agricultural products. Taking them throughout the year, prices vary much more in the United States than in Canada. There are times when they are higher than with us, but there are also times when they are lower and they are more subject to speculation. Our farmers have a safer market on the whole, taking one year with another. At present there is a great glut of many farm products in the United States. I have here a report in the New York 'Produce Review' of the 4th of January, which shows that the stocks of butter held in New York, Chicago, Boston and Philadelphia at present are enormous. These four leading storage centres held on January 4 the following amounts:—

Packages	1911.	1910.	1909.
New York.. . . .	237,300	134,400	183,400
Chicago.. . . .	350,000	166,000	250,000
Boston.. . . .	236,010	154,200	172,300
Philadelphia .. .	64,690	35,000	63,600
Totals	888,000	489,500	669,300

That butter was bought last fall at high prices by speculators, who would be glad enough to-day to sell it at cost, but will be forced to take even less. If there were no duty on butter to-day, our Montreal merchants would not only bring butter from New York but from England, which they shipped in the summer, and the English people would be glad to send their butter back at several cents less than they paid for it.

Sometimes hogs are higher in Buffalo than in Toronto, but the market changes. Three years ago live hogs sold in Chicago at \$3.90 per 100 pounds, and four years ago at \$4.25; and during the same years in Canada they were selling at \$5.90 and

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\$6.25 per 100 pounds. Taking the last 20 years, the average price, in 18 years' out of these 20, paid in Canada for hogs has been higher than in the United States.

During the last three months lamb has been cheaper in Chicago than in Toronto. To-day it is one cent cheaper, and Hamilton is actually importing lamb from the United States and paying the duty.

In eggs there is to-day a glut in the American market, and refrigerator eggs are being imported into Canada at 14 cents per dozen free on board at Chicago.

Butter is selling in Chicago at 18 to 20 cents per pound, of the same quality as we are paying 24 cents per pound for to-day in Montreal. If there were no tariff our Canadian farmers would be swamped in a large number of articles which they have to sell.

I admit that the Canadian farmer might secure at certain times of the year higher prices by having the American market open to him; but he stands the danger of having his home market made a dumping ground whenever there is a surplus in the United States, Great Britain or anywhere else, and his prices will be knocked down in consequence. What our farmers have hitherto enjoyed is a steady market at reasonable prices, not subject to the fluctuations of the American market; but hereafter whenever there is an overstock in the United States, the surplus will be dumped on the Canadian market. So that after all, even from the farmers' point of view there is very great doubt as to whether a mutual interchange of farm products with the Americans would be, taking everything into consideration, to our ultimate advantage.

There is another serious phase which has not been touched upon very much by those who spoke for the government or by the newspapers which support it. It must not be forgotten that free trade in natural products between the United States and Canada means practically free trade with the whole world. By letting in the United States, under the terms of this agreement, we also let in all British possessions and no less than a dozen foreign countries on exactly the same terms. The agreement states:—

The advantages hereby granted to the United States shall be extended to the United Kingdom and the several British colonies and possessions with respect to the commerce with Canada.

Whatever advantages we give to the United States we automatically extend to every British possession throughout the whole world, and also to fully a dozen foreign countries. I know what the retort will be. Hon. gentlemen opposite will say: Why! Would you give these advan-