

Hon. Sir MACKENZIE BOWELL—The sun shone over there too.

Hon. Mr. SCOTT—If my hon. friend will look over the eighteen years of Conservative administration he will find the United States exports were climbing up rapidly.

Hon. Mr. LOUGHEED—And far more rapidly than ours in the last five years.

Hon. Mr. SCOTT—My hon. friend cannot explain it on that ground, because our products had to displace the products of some other country. The British people had to take our goods in preference to those of some other country, and my hon. friend cannot explain it away. It is too strong, it is too much in evidence, because it is preposterous to say that in every year between 1878 and 1896 there were not opportunities for calling the attention of the British people to the superiority of our products. It certainly was not done in a way, at all events, to attract attention. As I said before, sentiment is very often stronger than acts of parliament, and the sentiment of the British people was aroused and there is no manner of doubt that they took a very much greater interest in Canadian affairs after their attention was called to Canada by the preferential tariff.

Hon. Mr. McCALLUM—You cannot feed people on sentiment.

Hon. Mr. SCOTT—People were fed during the eighteen years. They were fed by some other country during that time. I maintain that the prosperity of a country is not due to an exchange of articles within its own limits, as my hon. friend contended. He stated that he did not think it was in the interests of Canada that importations of so large a character as have marked the trade returns of the past two years should take place. I do not agree with him. I think if we look at the statistics of Canada or Britain or any other country we will find that the most correct barometer of the prosperity of a country is its trade with outside countries. We must all admit that the prosperity of Great Britain is due to the enormous advantages of that country in securing the trade of other countries. Its prosperity increased with its increasing trade abroad, and so it was with Canada. If hon. gentlemen will just take the figures

they will find that my statement is confirmed absolutely. It is admitted that there was depression in Canada—there is no doubt about the fact—between 1873 and 1878, the five years in which it was the misfortune of the Liberal party to be in power.

Hon. Mr. FERGUSON—Did the sun shine in those days at all?

Hon. Mr. SCOTT—We had our share of sunshine, but not the share of outside trade that we should have had. The secret was that the United States could not buy our lumber, and the people of Europe could not buy our grain and cattle and various products, and so our trade dropped very considerably in those years, and it was the only time in which Canadian trade did drop. Our exports dropped from \$89,000,000 to \$79,000,000 and our general trade dropped from \$217,000,000 to \$177,000,000. I will now, in round figures, give my hon. friend the benefit of these returns to bear out what I have stated, that the standard of a country's prosperity is its trade with the outside world, and I do not think it can be controverted, and I never heard it controverted. The evidence is too patent, particularly if we consult the histories of the United States and Great Britain. In 1878 our aggregate trade was \$172,000,000, and in 1896 it had gone to \$239,000,000. My hon. friends will say that there was a great deal of prosperity during that time, from their standpoint, although we have the fact that many of the factories to-day are doing a very much better and larger business than they did during that time. We know that there were a good many failures among some of the new factories, particularly the cotton factories. Perhaps the capital was in excess of the demands of the people, and they had to secure outside markets in order to succeed. From some cause or other there was considerable failure. But I maintain that since 1896, since the stimulus given to the changed conditions in Canada by the preferential tariff, by the through transportation, by the stimulus given to the trade of the country through facilities offered by cold storage, and increased subsidies to steamships, particularly the Manchester line, the increased trade can be accounted for in that way and it is something worth knowing. Now the whole increase in the aggregate trade of