

the country to which we are under great obligations and does not benefit the countries which have not been friendly to us. At any rate, the gentlemen in opposition should not quarrel with that view.

Hon. Mr. BOULTON—They do not. They ought to be on your side.

Hon. Mr. POWER—The hon. member from Shell River is a gentleman with whom I agree in theory very largely, but I feel that it would be impossible, in a country like this, where we have had so high a tariff for so many years, and where so many interests have grown up under that tariff, it would be almost impracticable to do what has been done, for instance, in New South Wales. In New South Wales their tariff was not nearly as high as the tariff which we had in Canada. It had been in operation only some four years, and the shock of coming down to a free trade basis in that country was nothing compared to what it would have been if we had undertaken at once to do what they have done in New South Wales. It is not necessary that I should quote any further evidence, but perhaps it may be just as well that I should make some reference to a statement which has been made, although the authority has not been given for it, that certain proposals were made by Mr. Chamberlain to the Canadian premier. There is no evidence in these official documents, which are all that we can go upon, to show that any offer was made. I find in the *Toronto Globe*, however, of the 13th November last, a statement, which I presume, is at least as reliable as the statements made by hon. gentlemen in opposition, to the effect that Mr. Chamberlain made the proposition that there should be absolute free trade between Britain and her colonies on the condition that the former placed a small customs tax on commodities from foreign countries, and it is stated in the same place that Sir Wilfrid Laurier, speaking for Canada, said that he could not accept such an offer, that the Canadian government had already arranged for an abatement of duties on British goods to the extent of 25 per cent, and as the whole fabric of Canadian finance as well as Canadian industry was founded on customs duties we could not consider a proposal to remove them in toto. In the course of the hon. gentleman's speech he laid down some sound theoretical doctrines with respect to

free trade, and I took the liberty of indicating my concurrence in his views by saying "hear, hear." The hon. gentleman apparently thought that my "hear, hear" was ironical. I wish to assure him that it was not, and I hope the day is coming, and within our time, when we shall get down to a revenue tariff, if not to free trade, as it is in England. The hon. gentleman said—and I was rather surprised at his saying it—with respect to the tariff, that the duty on iron had been reduced and the bounty had been increased, and that that was making matters worse. I am rather surprised at that. Looking at the matter from the hon. gentleman's point of view, I should not think that. The objection to the duty is that it makes every one who consumes pig iron pay more for the iron which they consume, while the bounty takes the money directly out of the treasury and confers a benefit on the maker of pig iron without increasing the burden on those who use pig iron; and for my part I prefer the bounty to the duty. I prefer it also for this reason, that the bounty is a thing which impresses the average man more, and is less likely to remain than the duty.

Hon. Mr. BOULTON—The objection I raised was not to the increase of the bounties, but to giving the bounty for the production of iron from imported ore.

Hon. Mr. POWER—The object of the duty and the object of the bounty are the same. The object is to encourage the manufacture of pig iron in Canada, and it has been found by experience that it is necessary to employ a certain quantity of foreign ore to mix with the Canadian ore for the purpose of making the iron, and the bounty as it stood before was practically of comparatively little value. I hope we shall before long be in such a position that our industries will all stand upon their own bases and will not require either bounty or duties beyond the duty that may be necessary for revenue. With respect to the tariff, that hon. gentleman or some hon. gentleman wished to know if I was satisfied; I am not altogether satisfied with the tariff in its present position. I think it is better than it was a year ago, built as it is susceptible of improvement still, and I hope to see it improved. Speaking simply for myself I may say one of the points about the