

been a part of the commercial history of every nation. Need I remind the House once more that when Sir John Macdonald advised the Canadian people to adopt towards the United States a policy of high tariff, it was with a view to have a commercial convention such as was negotiated last year with the American Republic? The conditions which impelled us to negotiate were as old as Confederation itself; but those conditions received a new impetus from the rapid development of the western provinces; where a new community, buoyant with the enthusiasm of every new community, was seeking to expand its energies beyond the limits of our country. We are above all things an agricultural people. It is now established that at least 66 per cent of the population of Canada gets its living by agriculture, and the area devoted to agriculture is increasing every year. The consequence is that the country produces more than it can consume, and it is necessary to find markets abroad. This was the goal of the policy pursued by the late government from the day it first took office. We had that in mind when we adopted the British preference. We calculated that England, importing products from several countries, would naturally give the preference in buying from the country which accepted her manufactured goods in payment for what she bought rather than the country from which we would have to meet her exchange with gold, and the result of our policy, in increasing our trade with England, has shown that. Then we made the treaty with Japan and the treaty with France, and if you remember the dispositions of those treaties, you will know that our object was to obtain markets in those countries for our agricultural products. It was the same thought which impelled us to negotiate with the United States. In this we were impelled chiefly by the attitude of the new settlers in the western provinces; but the demand for the American market, which came chiefly from those provinces, did not meet with any favour from the party now in office. They did not object to the reciprocity agreement on any economic ground, but for such political reasons as have been exposed to us again to-day by my hon. friend from Calgary. The nearest approach to anything like economic ground which I saw placed before the Canadian people in the last election was in a speech by Mr. Sifton which caught my eye during the campaign. Mr. Sifton spoke as follows:

We regard the United States as a great nation confronted by serious problems of unemployment, of exhausted resources, and monopolistic control of commerce. We wish our great neighbours well in the solution of these difficult questions, but do not desire to mingle their problems with ours. We object to this treaty because it binds the provinces

of Canada in firm bonds of social and commercial union with the United States.

In this utterance of Mr. Sifton there is a true statement and a very false conclusion, which I was surprised to find in the mouth of one of so lucid and clear mind as Mr. Sifton is. He states strongly, but with no exaggeration a condition of things which all the friends of the Republic know to exist in the United States, and which all the best minds in the Republic are striving to get rid of. But what is the chief cause of these problems in the United States problems of unemployment, of exhausted resources, and monopolistic control of commerce? There are many causes; but can it be denied that the chief cause is a high and fast tariff, which, by unduly inducing industrial development, has caused the farm to be deserted and population to be concentrated in towns and cities, beyond the demand for employment, which by generating a desire to get rich quickly, has induced speculators to grab the natural resources of the country and exhaust them by premature exploitation, which, by preventing competition from abroad, has left the Republic defenseless to be preyed upon and controlled by monopolies.

Sir, if you refer to public opinion in the United States you will get confirmation of this. You will learn that all the best minds to-day in the republic from the professors in the universities to the man in the street, all are agreed that it is a problem which is meeting them and the difficulty is how to get rid of it. We know by experience that wherever such problems are caused by high tariffs, whatever there may be of desire to deal with them there is always a difficulty of creating new communications by touching the tariff. Now, Sir, if we compare our own condition to the condition of the United States do we see very much difference? True it is our resources have not been very much impaired, but are we free from the problems of monopolistic control of trade and commerce? He would be a bold man who would dare to say so. Is it not a fact that at the present time combines, trusts and mergers are flourishing on the soil of the Dominion almost as luxuriantly as on the soil of the republic. Mr. Sifton when he said that if we adopted this policy of a free interchange of commodities we would have involved ourselves in the problems of the United States made in my judgment, a singular mistake, a singular miscalculation. It seems to me quite clear that by opening the avenues of trade we would make it possible to deal with mergers, combines and trusts in the United States as well as in Canada. And indeed the rejection of the policy which we proposed is already bearing fruit. I believe it is a fact that at the present time the meat packers are making arrangements