

take one side and the United States representatives another; then the matter would be left ultimately worse than before. Under these conditions, our commissioners refused to accept the arbitration. There seems however, to have been a suggestion on the part of the Americans to agree to an umpire, provided that umpire came from certain countries of Central or South America. The British and Canadian commissioners said: We cannot agree to a proposition of that kind, because, under your Monroe doctrine, all the countries of Central and South America are under the protection and, consequently under the influence of the United States; so that no arbitrator chosen from these countries could possibly have the requisite independence and impartiality to commend him for acceptance to England or Canada. Therefore, when we realize the position taken by our commissioners, we must come to the conclusion that they properly and fairly represented the sentiments of our people, especially when they refused to give up territorial rights, and repudiated a dishonourable arbitration.

I am aware that there are some—some even in this House—who entertain different views. There are some who say, with reference to the conduct of the Canadian commissioners: "You have tarried too long at the wine; you should have come home sooner, and when you did come, you ought to have taken up your hats in high dudgeon and slammed the door in the faces of the American commissioners."

Now, Mr. Speaker, I think conduct like that would neither have been consistent with the dignity of the Canadian representatives, nor would it have had any effect whatever in promoting those objects that we all desire so much to see accomplished. So far as the American people are concerned, I am aware that it is said of them, and, perhaps, with truth, that they are a selfish and a grasping people, and drive a hard bargain. Nevertheless, they are an honourable and a proud nation. The way to reach them is not by attempting, as it were, to bulldoze them. The way to reach them is by appealing to the honour, and pride, and gratitude of the nation which lie behind that selfishness, and which will ultimately bring it under control. I believe the commission will ultimately be successful in settling all differences. I base my belief upon the fact that the Government of the United States is just as anxious as we to have these differences finally and permanently settled. I base my opinion upon the fact that the press of the United States to-day recognize, and, in most cases approve of, the honourable and straightforward conduct of our Canadian commissioners. I base my opinion upon Senator Fairbanks's letter, wherein he says, in substance, to the press of the United States and Canada, "I warn you not to publish anything with regard to the failure of the International Commission—it has not failed." I base my hope upon the fact that

we have now better relations with the United States than ever before. To-day America has her schemes of commercial conquest in the far east. She requires the assistance of England more than England does the assistance of America. I know, too, that the Americans are proud. They have been placed recently under a debt of obligation to England—a debt which I am satisfied no people would lie under without attempting at the earliest moment to repay. This is the first opportunity they have had of expressing their appreciation of the magnanimity of Great Britain—the first opportunity they have had of repaying, to a certain extent, their debt of gratitude. I am, therefore, confident that when the people of the United States come to themselves, when the higher and better elements of their nature assert the mastery, they will then meet us half way, in an honourable and determined effort to smooth away all difficulties that exist between the two nationalities.

The next matter referred to in the Speech is that with respect to postal reform. As I glance over the Public Accounts, I find that in the year 1896 there was a deficit in the Post Office Department of \$781,000, and that in the year 1898 that deficit had been reduced to \$47,000—almost wiped out of existence. I point to this for the purpose of indicating that if it had not been for good management of the Post Office Department the reforms in the postal service referred to in the Speech from the Throne could never possibly have been carried into effect. If, for instance, the deficit in the year 1896, of \$781,000 had remained until now, I am satisfied that it would have been impossible to have made the reduction from 3 cents to 2 cents in the domestic rate, or to have brought into effect the Imperial penny postage. I know that these changes involve a present loss of revenue; but from the increased business that will result, it will be found that the deficit in the Post Office Department will not in the future be one-half of what it was under the former Administration. In the next few years, even that deficit will be wiped out of existence. With respect to the two-cent domestic rate of postage, that is a matter with which we are all familiar, and it does not require at my hands any extended remarks. It was a reform that was carried into effect on the 1st of January. It was an appropriate New Year's gift to the people of Canada. It was a substantial lightening of the burdens of the people. It was a gift to almost every man, woman and child in this Dominion. It was such a gift as the people of Canada duly appreciate, and will not soon forget. With reference to the reduction of the rate of Imperial postage, that was a matter which was a dream for many years, ever since the days of Rowland Hill. And it remained a dream until the Canadian Government took the matter up in a practical way, and ultimately succeeded in forcing its adoption. With regard to the part