

cerned—that during the latter part of the decade I have dealt with—between 1873 and 1878—a panic occurred in the United States, one of the worst that ever struck a country. The value of everything fell from one dollar to twenty-five cents, and a similar drop occurred in the trades in Canada which found a market there. Many hon. gentlemen here will recollect the number of trades that were affected, and you know it brought down one lumber firm after another in Canada. The lumbermen struggled for two, or three years before they succumbed. They did not give way and become wiped out as lumbering industries until about 1876, 1877 or 1878. Our trade with Great Britain was not affected very much for the first two or three years after that panic, because the trade of Great Britain is carried on with the world, and they did not feel the effect of the American panic until the world began to feel it, and that was not until 1877 or 1878. It was in 1878 that the people of Canada began to feel not only the effect of the depression in the United States, but also the effect of the depression in Great Britain—the two large markets in which they sold their produce. When the effect of the depression was felt in both countries then the people of Canada began to feel the burden. Mr. Mackenzie was in power at the time, and in the general election of 1878 Sir John Macdonald was returned to power because the people of Canada thought that the Dominion was being made a slaughter market. They felt that their trade was going—they did not know what was the matter. What was really the matter was that they were feeling the effect of the panic of 1873, both in the markets of Great Britain and the markets of the United States, and that had a great deal to do with the lessening of our importations, and the reduction of prices, and the failure of our revenue. Taking that fact into consideration, if that panic had not occurred our exports would have been larger still during the last decade. The reply of the American Government to our reciprocity negotiations is, “Fix your eyes on a policy of protection and cut yourselves adrift from the trade policy of England.” Now, so far as a market of sixty millions is concerned, I would draw the attention of this hon. House to Russia again. There is a restricted market of one hundred and four millions of people, and considering their area, considering their resources, con-

sidering their contiguity to the teeming populations of European Asia, it is a poor market. It is of no great advantage to get into the Russian market, so far as reciprocity is concerned, because it is a restricted market. As long as the population of the United States continues to increase—as long as they are pushing on their sixty millions to one hundred millions—which I hope and trust they will become—the market must be of some value, but the day must come when the restriction of trade in the United States will have a very serious effect, and when the blow does fall it will affect the people of Canada to the extent that we have trade with them. The Free Trade League in Europe shows the disposition there is there to increase their trade relations. They have not had the hardihood to adopt the free trade policy of Great Britain, but several nations have united together to try what that policy will do for them. To my mind that is only a temporary measure of relief. Now, the next point that I wish to discuss is the proposition of Sir Charles Tupper in the “North American Review.” Our High Commissioner has made a proposition to the people of Great Britain with regard to Imperial Federation, and a plan for carrying it out. His idea is that the people of Great Britain shall tax themselves to the extent of five shillings a quarter on all the grain that they import from foreign countries. I looked through his argument and could not find anywhere in the article where he proposed to give a *quid pro quo* for that—where he proposed to give any return for such a concession on the part of the people of Great Britain. I looked to see where he proposed any remission of duties, but no mention of anything of the kind is made. He dwelt on the value of developing Canada and holding the Empire together, and considered it was worth five shillings a quarter on every bushel of wheat going into Great Britain from foreign countries. That is what I call asking the English labourer to hold up the heavy end of the log. Now, Canadians do not want anyone to hold up the heavy end of the log. That is not the class of men I have been mixed up with, or have met in Canada. They can hold up their end of the log as well as anybody, and to ask the British people to put on a tax of twenty millions of dollars a year on their food—to impose such a tax on the struggling labourers who are