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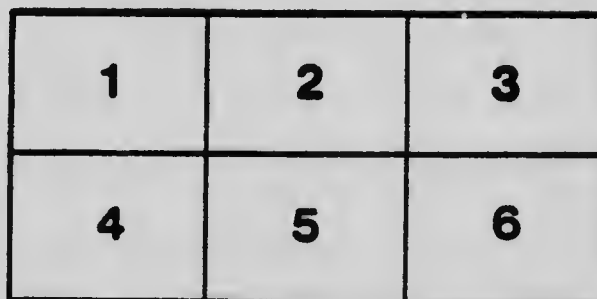
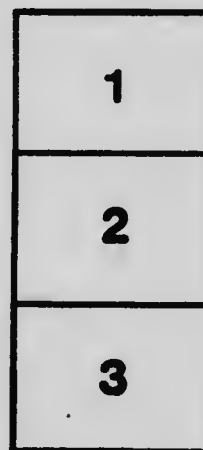
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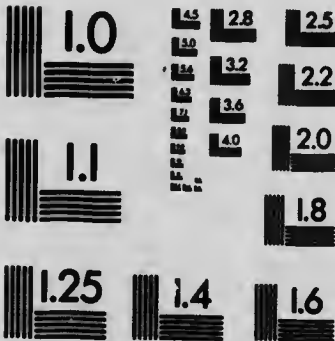
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SPEECH

BY THE

RT. HON. SIR RICHARD CARTWRIGHT

ON

THE BUDGET

IN THE

HOUSE OF COMMONS, JUNE 8th, 1904.

Rt. Hon. Sir Richard Cartwright (Minister of Trade and Commerce), The veteran statesman was received with tremendous applause when he rose to speak.

Mr. Speaker, the hon. gentleman (Mr. Bell) who preceded me in this debate, was good enough to put a number of very explicit questions to me last evening. He was also good enough to introduce many quotations from speeches of mine into his own. So far as I could see they seemed to fit in very badly—(cheers)—but that is a matter of detail. The hon. gentleman's thirst for knowledge is great—(laughter)—the hon. gentleman's need for knowledge is greater still. (Great laughter). It will be my endeavor and my pleasure to satisfy the craving of the hon. gentleman. Before I sit down I trust to be able to furnish him with full information on all matters as to which he has asked information, and likewise to supply him and possibly some other gentlemen, with a good deal of other information for which he has not asked, but which it is very desirable that he should become acquainted with. In the meantime, I may observe that I have but one quotation to make, and there is but one thing that I desire to know at this moment in particular. If you will do me the honor, Mr. Speaker, to refer to "Hansard" of 1897, page 2177, you will find the following paragraph:—

"I consider the argument of the free trader unanswerable. I believe at this moment that if Canada took a liberal step in the direction of free trade it would go a long way to place her upon the road to the greatest prosperity. The reasons why I consider Canada should turn about and adopt a free trade policy are, (a) that we may free ourselves from the dominating influences of the United States; (b) on account of the failure of the national policy; (c) because of the startling revelations of the census."

I am advised by an hon. friend of mine, now sitting in this House, that this particular paragraph is an extract from a newspaper report of a speech delivered in the town of Pictou in the year 1891, or thereabouts, by a gentleman of the name of Adam Carr Bell.

SIR RICHARD CHAFFS

MEMBER FOR PICTOU.

Mr. Speaker, I am filled with a burning and consuming anxiety to know: (a) whether the said Adam Carr Bell is a namesake or possibly a godchild of the hon. member for Pictou—(laughter)—(b) whether it is possible that some pestilent Grit may have succeeded in procuring the habiliments of the hon. member for Pictou, and have marqueraded before the good citizens of Pictou as the only true, original and reliable old Adam. (Laughter and applause). (c) I desire to know from the hon. member for Pictou who the fellow is anyway, and what he thinks of the statements and sentiments contained in the paragraph which I have just read. The hon. gentleman does not appear disposed to gratify my laudable curiosity. (Cheers).

Mr. Bell—If the hon. gentleman will permit me—I thought he was going on with his speech—I may inform him that he has read a garbled report of a lecture delivered by me upon the subject of speculative free trade, the opening paragraph of which announced that no reference whatever to practical free trade as a policy for Canada would be made. It was a lecture, not a speech, and was given from a strictly academic standpoint. I may say further that I never made a free trade speech in my life on any hustings or in any county. I took part, I am glad to say, in the campaign of 1878 in favor of the protectionist theory, and have supported that view on every occasion on which I have appeared in public from that day to this.

Sir Richard Cartwright—The form of words the hon. gentleman used in the paragraph I have just quoted is singularly open to misconception, if he intended it to be regarded as the statement of a purely speculative opinion, but if I have not been further misinformed, the hon. gentleman, about the year 1891, was rather coquetting with the Liberals in that county—

Mr. Bell—No.

Sir Richard Cartwright—Which may possibly have influenced to some extent his speculative views on the question of free trade.

Sir, I am happy to say that there were several things said by the hon. gentleman last night with which I am able to agree. They are, so to speak, some nuggets picked out of the flood—what shall I call it?—of alluvial matter poured forth by the hon. gentleman. For instance, the hon. gentleman was good enough to state that the present tariff was a great revenue-producing tariff, a statement which I entirely endorse and concur in. The hon. gentleman was further good enough to state that our imports are paid for and limited by our exports—another statement with which, under normal conditions and with certain limitations, I entirely agree. In the third place, the hon. gentleman declared that you can easily increase taxes while diminishing revenue—a statement in which I entirely concur. He was likewise good enough to warn us that surpluses are dangerous things—a matter on which, considering the experience of himself and his friends during the three years immediately preceding the year 1896, he was of course well qualified to speak. Lastly, I may add that I heartily and most unqualifiedly endorse the statement of my hon. friend that after men have been in opposition for a certain period, say six or eight years, they are likely to talk unmitigated rot—(laughter)—and the hon. gentleman not only made the statement, but proved it to the hilt. It may be that the hon. gentleman did not entirely see what all these statements and admissions involved; and on that point, before I sit down, I shall have a word or two to say.

TAXES AND REVENUE ARE NOT THE SAME.

But although there were these points of agreement between myself and my hon. friend, there are also points of difference between us. The hon. gentleman states that we increased the taxes. I want to call the hon. gentleman's attention to a little confusion of mind. Taxes and revenue are not the same thing, as he seems to have supposed. We did not increase the taxes; we greatly increased the revenue and greatly reduced the taxes. (Applause). The effect of the British preference was far-reaching; it was enormously to reduce the rate of taxation in this country, both nominally and still more really. Then, sir, in the first place, as hon. gentlemen opposite

now appear to admit, it went a very long way indeed to convert the entire tariff into a revenue tariff. It did Canada a great deal of good indirectly by creating the best possible feeling towards us in the minds of our very best and largest customers, and indeed it may be said in many cases to have secured for us a substantial, though not a legal, preference in the English market. For myself, I have always advocated the preference as being much more in the interest of the Canadian consumer than of the English producer, though I was quite willing to benefit the latter also if the opportunity should occur, and I admit frankly that I was very sorry that it was found necessary to make any change in it.

ALL THE WORLD NOT PROSPEROUS.

The hon. gentleman declared that at this present moment all the world is prosperous, and that our present position was merely a part of the normal world. Sir, I was under the impression that the people of the world at this moment were suffering from rather a serious depression; I was under the impression that the Chancellor of the Exchequer had recently found it necessary, in a time of peace, to increase the income tax, and to bring it back almost to the limit of the old and very heavy war tax. I was under the impression that English consols had fallen from 113 or thereabouts before the war to something like 85 within the last few months, about the lowest figure which those great securities have touched in the last fifty years. The hon. gentleman talked about Germany also. I was under the impression that Germany for two or three years back has been suffering from a very severe commercial depression, from which it is only beginning slowly to recover. He talked of the United States. The merchants and the manufacturers in Canada have been dinging into our ears for some time past that there is great danger of a very severe depression in the United States, and have been begging us to take precautions to guard against such a depression. He might have added that the great Commonwealth of Australia had been suffering from a most protracted drought and other depressing circumstances for an unusually long time. As England, Germany, the United States and Australia are by far the best customers we have, \$420,000,000 out of our whole trade of \$460,000,000 being done with these countries, it does not appear to me that the argument that all the rest of the world with which we have dealings is prosperous, fits very well in the mouth of the hon. gentleman at the present time. Sir, the exact reverse is the fact. While these great countries have been suffering from serious reversees and depressions, it has been the good fortune of Canada, and Canada alone, to maintain her progress. (Great applause).

CONSERVATIVE TARIFF COMMISSION APPOINTED BY MANUFACTURERS.

The hon. gentleman—and I must take issue with him there—went some distance out of his way to condemn the proposition of my hon. friend the Minister of Finance to issue a commission to investigate the condition of the tariff. The hon. gentleman misapprehended, I think, the statement of the Minister of Finance. What the Minister of Finance had in his mind—and I thought he made it sufficiently clear—was not to relegate the duties and powers of this government to any commission at all, but to appoint, as we did several years ago, a committee of our own members to visit as many as possible of the cities and towns of Canada and see for ourselves how we could best deal with the industrial conditions of the country. But, sir, the hon. gentleman is perhaps not very well acquainted with the fiscal history of Canada for the last eight and twenty years. If he had been, it might have occurred to him that the condemnation which he attempted to level at my hon. friend applied with far greater force to those gentlemen who in 1878 and 1879, when they came into office, did not endeavor to settle the tariff themselves, but employed several paid commissioners, sitting in Ottawa, many months to draw up a tariff of which the Finance Minister of the day was but the mouthpiece; and I will tell the hon. gentleman this further fact, which he is perhaps not aware of, that that commission, though nominated by the Government of the day, was appointed by a certain committee of manufacturers, and that that committee, in one instance at least, paid their deputy for his services a great deal more than the government paid him.

"Sir, there was one point slightly alluded to by the hon. gentleman, on which I am disposed to agree. I do not advise the people of this country to count on a continuance of the most remarkable unbroken prosperity which we have enjoyed the past few years. No man in Canada has had better cause to know than I that as a rule cycles of good years are succeeded by cycles of bad years. No man knows better than I that a series of fat years is generally followed by a series of lean years. I can tell my hon. friend also this. I have never contended that the tariff is the sole factor in creating or maintaining prosperity. There are many factors which go to make up national prosperity. You may have a good tariff and a bad land system, and you may have a good land system and a bad tariff. Or you may have both good together, and yet, by the operation of causes over which you have no control, by being involved, for instance, in war with your neighbors, or by a hundred other conflicting influences which may militate against your prosperity, you may not have such a satisfactory condition of affairs as you would desire.

I know also that this country of ours is not very easy to govern. No country probably, under federal rule is. And I do not pretend to say that you can govern for seven or eight years a country like Canada and give no cause for criticism. Mistakes may be made and may have been made. Experiments may have failed. Faults or follies may have been committed. The Government do not pretend to be infallible. It is even conceivable that men who have never sat in Cabinets, who have never known what it was to be responsible for the good conduct, administration and development of a country extending from ocean to ocean—it is even conceivable that such gentlemen may at times commit errors, and may have occasion to regret, and commit themselves to politics which they may afterwards find out to be absurd. Mr. R. L. Borden—The hon. gentleman is talking from experience.

**EVERYBODY MUST ADMIT
COUNTRY IS PROSPEROUS.**

Sir Richard Cartwright—No, I am not. I have very little to withdraw, unless indeed it may be that at one time—a long time ago—and probably before the hon. gentleman had much to do with political life—(laughter)—I had certain affiliations and dealings with the Conservative cause. But unless I am entirely mistaken, there was a time when my hon. friend himself was a highly respectable young man, when he taught in the Sunday school, and took the chair for his worthy relative, the Minister of Militia (Sir Fredrick Borden) and even canvassed the country for him. (Laughter). I agree with my hon. friend from Pictou that this is a proper time for us to take stock, to examine our resources and to see how far we are justified in committing the country to the great undertaking into which the Government are proposing to embark. (Applause).

Now, I notice that my hon. friend from Pictou—and therein my hon. friend only did as most hon. gentlemen on the other side do when they rise in this House—did profess great, even extreme delight, at the extreme prosperity of the country. Like the others, too, he gave thanks to Providence that he was not as other men—not as those wicked Grits who could never find a good word to say for all that how did he call them?—our illustrious predecessors did who held the reins of power before us. But after having professed his extreme delight in our present financial condition, I notice that, following the example of those other gentlemen, he proceeded to the best of his power to detract, belittle and minimize the prosperity of the country. The truth is, I fear, that the prosperity of the country at this present moment is gall and wormwood to those hon. gentlemen. I did watch their faces attentively, as the

hon. gentleman did me the honor to watch mine, when my hon. friend the Minister of Finance was unfolding step by step every proof, every indication men could well ask for, of the extreme prosperity of this country. And if they were delighted, I can only say they are the most admirable experts at concealing their feelings in their countenances I have ever seen. (Laughter and applause).

I fear much that the hon. gentleman and his friends are a good deal in the same frame of mind as that in which the habitants of Lower Canada were in the year of grace 1837, when the St. Lawrence would not freeze, and the government were able to make use of that great river to transport their troops from point to point. Le bon Dieu, they said, n'est pas un bon patriote. I am inclined to believe that in like manner every hon. gentleman opposite, if he spoke the truth, would say, "It is very hard of Providence to be so kind to these demoralizing Grits." (Laughter). The adjective that they usually couple with the substantive Grit is, I think, somewhat shorter and stronger and less parliamentary than the one I use, but nevertheless I think that my expression, demoralizing, perhaps describes the whole situation a little better.

MR. BELL'S CRITICISM WAS BELATED CRITICISM.

The hon. gentleman took me severely to task because, as he said, while he was calling my attention to certain things, which I ought to have laid seriously to heart, I was smiling. Sir, the impeachment is true. I was smiling. Certain recollections had occurred to my mind, and I shall tell him what they were. I remembered two remarks made by two very eminent men with whom I was formerly acquainted, which I think were admirably descriptive of Conservative feeling and methods; and when the hon. gentleman was "rooting and routing," to use a Scotch phrase—among our surpluses, and proving to his own satisfaction that it was a great iniquity for us to have \$57,000,000 surpluses when they had none, I could not but recollect the remark made by the late lamented Jos. Rymal, namely, that he would rather meet a she-bear robbed of her cubs than a Conservative out of office. (Great laughter). There also occurred to my mind, when my hon. friend was lamenting the enormous amount of surpluses going into such unworthy hands, another remark made by the late lamented Sir John Macdonald on a certain occasion when addressing an appreciative audience, he likened himself to a boy who was throwing down acorns to the hogs below, and in his own picturesque language observed to his hearers that if they wished to save their bacon they must divvy up and share the acorns. Now, I can well understand how the sight of my hon. friend's sur-

pluses and the spectacle of all those golden acorns rolling on the ground—and none for them—must have harrowed the minds of hon. gentlemen opposite. And then to see them garnered into the public treasury instead of being generously distributed among the faithful. It was not what they were used to—and they felt it.

The hon. gentleman's mode of arithmetic is simple and in a certain sense effective. I listened attentively to him in his review of the financial position, and I can say this for him, that the rule he applies certainly saves a great deal of trouble. It is a simple rule. You have only to debit everything and credit nothing and report the result. (Applause). The hon. gentleman's argument matched his arithmetic. His criticism was a belated criticism. (Laughter). It might have been pertinent ten, twenty, or even thirty years ago. But it is late to this grave objection, that it ignores the complete change of conditions. Sir, I have to tell the hon. gentleman that Canada to-day in 1904, is further apart from Canada as 1904, is further apart from Canada as we found it in 1896 than the Canada of 1896 was from the Canada of 1866. And that is no idle rhetorical flourish. Sir, the growth of the last eight years, in many ways far exceeds the growth of the thirty years preceding. (Cheers).

Now, Mr. Speaker, there are, to my mind, three great indicia by which to judge the prosperity of a country like Canada. All others are relatively insignificant—I do not pretend to say they are not of importance in the way, but, in my judgment, they shrink into insignificance beside these three. The first of these indicia is: How rapidly is the population and occupation of new and large areas of land advancing in the country? Next, what is the growth of the volume of trade? Next, what is the growth of the revenue of the country? I will add a fourth, which applies more particularly to my own province of Ontario: What is the condition of the farmers? What is the condition of the agricultural class? How many chattel mortgages remain on their farms? How many mortgages have been paid off? How as to the value of their lands? Still more important: How as to the saleability of their lands? The question I put to the hon. gentlemen on both sides of the House is this: Were the farmers of Canada ever, within the memory of living man—at least, since the Crimean war—as prosperous as they are to-day? (Cheers).

MR. FIELDING'S FIGURES ERRED ON RIGHT SIDE.

"Now, I will proceed to analyze each of these indicia to which I have referred. I will take, first, the population. Here—and it is, perhaps, one of the few points on which we differ here, I do differ, I differ very consid-

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erably from some of the calculations submitted by my hon. friend, the Minister of Finance (Mr. Fielding). He erred, it is true, on the right side. In his position, it is better, if he errs at all to err on that side. But he has underestimated, I think considerably, even seriously, the growth of population in Canada since 1896.

I have here a rather curious and interesting statement which hon. gentlemen will find on page 450 of the first volume of the census of Canada of 1901. That statement gives in detail, not merely the number of immigrants, but the date on which the immigrants came to Canada and settled in Canada. And it is a curious and most significant fact that the number of immigrants who settled in Canada, and have remained here, in the last half of the decade included in the census, that is from 1896 to 1901, were nearly 100,000 more than those who came to and remained in Canada in the first half of the decade, or from 1891 to 1896. The precise actual facts are that in the decade from 1891-1901 234,000 immigrants came to Canada and remained here. Of these about 160,000 came in the latter half from 1896 to 1901, and 74,000 in the first half from 1891-1896. Sir, that is a pregnant and significant fact. It proves, in the first place one thing to which I have called attention in the House more than once, and that is that, since this Government came into power the population of Canada has increased in ratio altogether greater than it did in the five or even fifteen years before. (Cheers). It proves another thing: it proves that the report of my hon. friend the Minister of the Interior (Mr. Sifton) as to the number of immigrants who have settled in Canada during that time was almost literally and absolutely correct. And it proves, by inference I think, this—that if you are able to bring 100,000 more immigrants into the country, and keep them there during the last half of the decade than during the first half there is the strongest presumption that you have, at the same time, been able to retain in Canada your own people who, in former times, were leaving the country in such numbers.

MOST ROSEATE VIEWS

ARE WELL JUSTIFIED.

The self-same causes that enabled you, as I have said, to keep 100,000 more immigrants in Canada, contributed most powerfully to prevent any great exodus from Canada during those five years. There are other matters in connection with this table to which, on another occasion, I may refer, matters of importance, matters of interest. But I refer a word or two to say in that connection with respect to the other matter of which I spoke, and that is the enormous area of new land and territory which, within the last few years, has been brought into cultivation or into

occupation. But, first, let me call attention to the fact that, in the three years that have just elapsed, the years 1901, 1902 and 1903, we have brought into Canada, and, there is every reason to believe we have settled in Canada, and retained in Canada, 244,892 immigrants.

Sir, I am not blind to the fact that quantity is not everything. I am happy to be able to inform the House—and that is a point of which also I shall have something to say later on—that the quality of these immigrants is equal to the quantity, and Canada may congratulate herself not only on having the largest immigration she had ever known, but by far the best immigration, composed of the best class composed of the wealthiest class, we have ever seen come to Canada. (Cheers). As to the area being occupied and likely to be brought under cultivation—another matter to which I attach great importance—hon. gentlemen will see that, in the three years referred to, 64,005 homesteads were taken up, equal to an acreage of 10,240,000 acres. There were sales made by various corporations during the same three years of 7,951,833 acres, without counting the large amount known to have been purchased from private parties. This means that over 17,250,000 acres, mostly new and virgin land, have passed from the control of the companies or of the Crown into the hands of actual settlers.

I would like the House to consider what that means, and what justification it affords for what might otherwise be considered the too roseate views which gentlemen on this side of the House have expressed as to the future of Canada. I find that by the last census the total amount of occupied land in the great Province of Ontario was very little over 21,000,000 acres, and of that, less than 14,000,000 were improved. So that practically speaking we had within the last three years, added to the available area of Canada an extent of land equal, and more than equal to the whole cultivated area of the great Province of Ontario. Sir, I say these are most pregnant facts. And if you will compare the influx of immigrants and the magnitude of the sales which have been made in the period from 1896 down to the present time with the actual results of homesteads that were taken up, and of the sales that were made during the period from 1885 to 1895 then, those who choose to study the history of this country with something like a pretence to fairness will understand why it was that we who then sat on the other side of the House found little to admire or commend, found little ground to talk of the prosperity of Canada in those days.

TRADE FIGURES TELL

TALE OF PROSPERITY.

Sir, I say again these are most pregnant facts, and although I shall have

more to say on the point of policy hereafter, still at the same time the mere circumstance that we have been able, as this return shows, to keep in Canada with scarcely an exception the immigrants that were brought there during the last half decade, is a very conclusive evidence of the soundness of the policy we are now pursuing, and of the great results that may be expected to accrue from it. (Cheers). I have looked into this matter with some care. I believe that the exodus, if not completely stopped, is at any rate balanced by the number of repatriated Canadians returning to Canada year after year. I have not the slightest doubt in my own mind that, taking the average of the last seven or eight years, partly owing to the cessation of the exodus, partly owing to the large number of immigrants who have been brought in, the average up to this year of 1904 will, in all human probability equal an increase of 150,000. Some years it may be less, some years it may be more, but on the whole eight years I believe on the present calculation that our present population is fully up to 6,000,000, or at any rate will be by the conclusion of the current year. Further than that, we have effectually wiped away the disgrace that the best and the flower of our population were leaving us to seek their homes in a foreign land.

Now, sir, as to the increase of trade—and here I ask pardon of my friends because, owing to the lines taken up by the hon. gentleman who preceded me (Mr. Bell), I must go ever ground already traversed by my hon. friend Mr. Fielding. In seven years I said that the growth of trade of Canada had increased more than double what it had increased in the thirty years before; it is a mere matter of arithmetic. In the interval between 1866 and 1896 a period of thirty years, the growth of trade was a little over \$100,000,000, if indeed it was over that at all. In the interval between 1896 and 1904 it is well up to \$220,000,000, being, as I said more than twice as much as the total growth in the thirty years before that interval. (Cheers). Some of the hon. gentlemen opposite take a different view from myself on this question of exports and imports. I for my part am of the opinion that it is highly desirable that the imports of a country should balance or thereabouts with its exports, and I am not frightened if the imports should occasionally exceed the exports. In my judgment the fact that the imports and exports are very close together is not a proof that we have been losing, but rather a proof that the people of Canada are getting good value for their money, rather a proof that trade is in a wholesome condition than anything else. But for the benefit of these hon. gentlemen, of whom I daresay there are some, who may conscientiously believe that it is a matter of the greatest importance to the country that the exports should exceed the imports, I desire to present this table of the total imports into Canada and

the total exports from Canada during the seven years beginning on the 30th of June, 1890, and ending on the 30th of June, 1896. Sir, deducting settlers' effects, which cost us nothing, as you know, we imported, in round numbers, \$834,469,000 in seven years.

We exported during the same time goods to the value of \$779,871,000.

That, Sir, was under the national policy, under a highly protective policy.

In the seven years from 1897 to 1903, both included, we imported, less settlers' effects, \$1,230,000,000 of gross imports.

We exported during the same time \$1,236,000,000.

In other words under the last seven years of the national policy our imports exceeded our exports by over \$50,000,000. Under the seven years of our policy our exports exceeded our imports by an equal sum. (Great cheering.)

Personally I do not attach any great importance to that, but as some hon. gentlemen opposite appear to do so, it is well that they should be made acquainted with the actual state of the case. (Laughter.)

JUSTIFICATION OF GOVERNMENT'S RAILWAY POLICY.

Now, Sir, I come to an interesting point, a doubly interesting point, inasmuch as on it depends, to a very considerable extent, the justification of this Government for proposing to you to engage in an enterprise that may well be supposed to tax the utmost resources of this country. I refer to the growth of revenue. The growth of our revenue during the past seven years has been far greater than it appears on the surface. Sir, the gross revenue is but an imperfect test. An increase in gross revenue may very well coincide with a loss of net revenue. The true test, and the test that I propose to apply is the growth of the net revenue in the last seven years. How stands the account to-day? It is a curious and instructive statement and for reasons which will presently appear, in order to make it more complete and perfect, I have gone back to the year 1871.

In 1871 the gross revenue of Canada was \$19,335,000, and what may be called the fixed charges, the charges for interest of debt, the subsidies to provinces, the sinking funds and collection of revenue, amounted to \$11,012,000, leaving a net revenue in 1871 of \$8,322,000 in round numbers.

The exact figures are as follows:—

Total revenue for 1871	\$19,335,560
Interest on debt	5,591,959
Subsidies to provinces	2,624,943
Sinking Fund	421,666
Collection of Revenue	2,374,114

Fixed charges

Fixed charges

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which I have alluded had increased to \$26,323,000, without taking into account payments to Indians, which are chiefly a treaty obligation, and called for \$80,000 more.

In the twenty-five years from 1871 to 1896, therefore, the total net revenue of Canada, beginning at \$8,322,000 had merely increased \$1,000,000 to \$9,405,000.

Sir, how stands the case to-day? In 1903 the gross revenue of Canada had grown to \$66,037,000; the charges of a fixed character amounted, including payments to Indians, to \$33,400,000 in round numbers.

In other words, we had a net revenue of \$32,600,000 in 1903, as against a net revenue of \$9,400,000 in 1896. (Cheers.)

The gain in our net revenue in those seven years amounted to \$23,000,000.

It is true our expenses had increased. Our gross expenses had increased \$14,000,000. Our gross revenue had increased \$30,000,000. Our net expenses, to which I shall come presently, had increased \$7,000,000 and our net revenue \$23,000,000.

CANADA RESCUED FROM STAGNATION BY LIBERALS.

The hon. gentleman appears to think that all this is blameable. It may be so, it may not be. The hon. gentleman quoted speeches of mine, quoted speeches of the late Hon. Mr. Mills, quoted speeches of the Minister of Customs (Mr. Paterson) and divers others, and he appeared to think that the fact that in 1896 we considered that it was expedient to retrench and practice economy was sufficient reason to condemn the expenditure now made without entering into any comparison or inquiry as to why the expenditure was incurred. I have to tell these hon. gentlemen that if, which God forbid, Canada should fall back into the slough from which we rescued her in 1896 (hear, hear)—the slough of stagnation, of dereliction, of disgrace and dishonor, if the time should come when you see the people of Canada leaving her by the million, when you see the immigrants who come to our shores leaving her by the million, when you find that it is doubtful if the increase in the population of Canada amounts to one-half of one per cent., and that in a country well able to support 50 or 100 millions, when that state of things returns, then I will say to these hon. gentlemen that they will be justified in quoting the speeches that we made under a similar condition of things, and saying that it is our bounden duty to exercise the strictest economy.

I have several questions to ask these hon. gentlemen, and I have several questions to ask the people of Canada in respect to this expenditure. First of all I have to ask: Is the expenditure justified? Is it out of proportion to the increase in the wealth and population of the country? Has it caused extravagance? Has it produced undue taxation? Why, sir, these hon. gentlemen, during the seven years they

sat opposite to us, have never, that I can recollect, moved to reduce one single item of taxation that we have imposed on the people of Canada. (Cheers.) They have done nothing more, it seems to me, than clamour to put more taxes on. (Cheers.) Let us consider how much of this expenditure is justified by the growth of Canada, how much is justified by the increased cost of wages and material and how much of it is directly profitable.

First of all, I would like to clear the deck. I would like to settle how much the government is really answerable for in this matter. I have here a statement of the receipts and expenditures in 1896, and a statement of the receipts and expenditures in the year of grace 1903. I say, sir, that if you choose to deduct the cross entries which do not cost the people of Canada a penny, and which can merely be regarded as a matter of book-keeping, you will find that the total result is that there is an increase in the expenditure not of \$14,000,000, but of \$7,000,000—(hear, hear)—for which I shall be prepared to render account. The whole expenditure on the Yukon of \$1,500,000 is defrayed and well defrayed by the additional receipts which we obtained from that territory, and will not cost the people of older Canada, at any rate, one cent. (Cheers.) Nor was that an expenditure for which there was any equivalent in 1896. The expenditure for railways and canals and collections on public works amounted in 1896 to a total of \$3,594,000. To-day we have to pay \$3,750,000 more, but we have received, on the other hand, an additional revenue of \$3,500,000, the difference being due to the fact that we have made our canals free, and no revenue is received any longer from that quarter. We spent on the post office \$440,000 more than we spent in 1896. We received from the post office \$1,430,000 more than we received in 1896. (Cheers.)

Mr. Clancy—By increased postage. Sir Richard Cartwright—By increased postage? By increased postage! By increased postage! I do not know what kind of business my hon. friend (Mr. Clancy) who interrupted me carries on, but if he pays increased postage he is an exception. I think, to everybody else in Canada. (Laughter.) For sinking fund, which is really in all conscience a cross entry, we paid \$565,000 more in 1903 than we did in 1896, and we received from interest on our investments \$650,000 more. Our customs cost us, no doubt, \$335,000 more than they did, but our revenue from customs has increased by about \$17,500,000. In miscellaneous items of various kinds we expend \$700,000 more and we get very much nearer to a million than \$700,000 more in return. If hon. gentlemen opposite will do me the favor to add these together—

An hon. member.—It is not worth while.

HOW THE GOVERNMENT HAS EXPENDED MONEY.

Sir Richard Cartwright—I am quite sure hon. gentlemen opposite do not want to do it—(laughter)—but I am glad that I am able to bring these facts to their notice, because they will never, from reading their newspapers, or from listening to their leaders, have the slightest chance of realizing what they mean. Our cross entries amount to \$7,290,000 on the debit side and \$7,780,000 and more—if I choose to take a strict account—on the credit side. There remains \$7,000,000 to be accounted for. I am prepared not merely to endure, but to invite the strictest criticism from these hon. gentlemen as to the way in which we have laid out these seven additional millions. How has it been done? Half a million has been expended, as these records show, in the increased expenditure for immigration, another half million more for the cognate services of agriculture and quarantine. Half a million has gone to improve the lighthouse service in the St. Lawrence, so as to make that great channel of commerce safer and more commodious than it has hitherto been. Half a million has gone—and it never could have been better spent—to provide the people of the Northwest Territories, into which about 400,000 people have gone within the last four or five years, with proper facilities for carrying on the government in a reasonable and fair manner.

All these are not merely justifiable, but they are highly productive expenditures. I take first of all the sums spent for immigration. You will add to that sum the expenditure for additional government in the Northwest Territories. We have been repaid tenfold; I venture to say that we have been repaid one hundred fold for all the additional expenditure which is incurred by my hon. friend the Minister of the Interior (Mr. Sifton) or by the government at large for either of these particular purposes. Take settlers' effects for the last five years, mere settlers' effects, which are to all intents and purposes a free gift to the people of Canada. Settlers' effects in these five years were received as follows:—

Year.	Value.
1899	\$2,800,000
1900	3,065,000
1901	3,740,000
1902	4,580,000
1903	6,442,000

Being a total roughly of some \$20,000,000 of a free gift to the people of Canada in the shape of settlers' effects brought in by the people for whom we have been expending this trifling sum, and, mark you, that amount is probably not one-fifth of the capital which these people are bringing into this country. One of the most hopeful features of the present immigration is that it is very largely composed of people well to do in their own country, who not merely bring in settlers' effects but a large amount of

capital to promote the settlement and development of our country. But that is a trifle. What of the immigrants themselves? What cash value will the honorable House put on the annual addition to our population of 100,000 immigrants? What annual addition to our income would it represent? What does it mean if we get 500,000 settlers, and most of these of the very best class? It is indeed particularly interesting when you consider the class of immigrants which is now going into the United States to examine the returns of my hon. friend the Minister of the Interior in respect to the nationality of the men who are now settling in Canada.

I have not time to go through them as fully as I would wish, but I will take simply this last year, in which 128,000 immigrants were settled in Canada. Of these 128,000, there came from Great Britain 41,000, from the United States, 49,000; about 10,000 from the Scandinavian countries, from Germany and from France and from Belgium; first-class immigrants all of them. Out of that 128,000 over 100,000 were immigrants from countries of the highest standing in the world. How does that compare with the immigration now pouring into the United States? I have here the Statesman's Year-book for 1904, and I see that while eighty per cent. at least of the immigrants coming into Canada belong to the northern races, the best races of Europe; of this total of 850,000 immigrants to the United States last year, scarcely more than 180,000, or twenty per cent., came from the British Isles, Germany, Sweden, Norway and other countries I have spoken of. We get eighty per cent. of immigrants of the first-class, and our friends on the other side of the border are receiving about twenty per cent. of an equally valuable class of immigrants.

TRUE WAY TO INCREASE WEALTH OF THE COUNTRY.

I may add further—and having reference to the value of these immigrants it is a matter of first-rate importance—that the returns, which I have also here, go to show that an enormous proportion of these immigrants which we get, far more than the average proportion in an ordinary country, are able-bodied young men or able-bodied young women. That is the true way to increase the wealth of this country. If you can put 100,000 such families in the Northwest; if you can give them lands; if you can provide the facilities for transport, it is almost impossible to estimate how much you will add to the national income and how much you will add to the volume of trade, domestic as well as foreign.

The wheel has revolved. We are getting back to-day what we lost in the eighteen years from 1878 to 1896; we are getting back what we lost, and we are keeping what we get.

Now, sir, I am about to enter on a matter which, I fear, will not altogether please my hon. friends opposite, and yet it is necessary to discuss it.

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I want to compare the number of immigrants who are coming in now and who are staying in Canada (as we have the best grounds for believing), I want to compare them with the results of the immigration between 1880 and 1890. Between 1880 and 1890, according to the reports of these gentlemen opposits, we brought into Canada 886,000 immigrants all told:

THE FRAUDULENT

CENSUS OF 1891.

Year.	No. of immigrants.
1881	47,000
1882	113,000
1883	133,000
1884	103,000
1885	79,000
1886	60,000
1887	84,000
1888	88,000
1889	91,000
1890	75,000

That is the statement made and constantly repeated through several volumes of our predecessors' records, and they are careful to distinguish between the immigrants who declare their intention to settle in Canada and the large number of immigrants who were passengers for the United States. In all reason and conscience our natural increase during the ten years from 1880 to 1890 ought to have amounted to a million of souls, I will accept—accept for the moment only—that most fraudulent census of 1891—(cheers)—as to which I shall have a word or two to say presently. But I accept that, mind you, for argument's sake alone. That census claimed that the population of Canada had increased between 1880 and 1890 to the extent of 500,000. It is very doubtful if the population of Canada increased in these ten years by 300,000, but I give them the benefit of the doubt, and, as you see, I can well afford it. On their own showing, if they gained 500,000 people in these ten years, they lost 1,386,000. They brought in 886,000 immigrants; they had a natural increase of 1,000,000 to account for; and where did these immigrants go? Instead of showing an increase of 1,886,000, all they could show was an increase of 500,000; a loss on their own showing of 1,386,000. (Cheers). Where did they go? Of these immigrants, 700,000 are not accounted for. There is scarcely 140,000 of these immigrants who came in during that decade to be found in Canada. Even making all allowance for a large death rate, it is clear we lost 700,000 of these 886,000. They came—I was inclined at one time to the impression that they did not come, and that this was a purely bogus statement. I am now inclined to withdraw that. They came, they saw, they departed. It was Caesar's case with a difference: Veni, Vidi, fugi. (Applause). And our own population—and that is a matter of far greater importance in my eyes—where did they go? Go seek for them in Boston, in Buffalo, in Chicago, in Dakota, Min-

nesota and Michigan. Look at the United States census returns, and you will see that 440,000 were lost to Canada in those ten years. The actual facts are as follows. In the thirty years from 1870 to 1900 our losses were:
 In the decade from 1870-1880.... 347,059
 In the decade from 1880-1890.... 443,077
 In the decade from 1890-1900.... 445,551

Mostly from 1890 to 1897—in all...1,235,630
 By the United States census of 1900
 It appears that there were at that date
 in the United States—

Born of Canadian parents on both sides522,301
 Born of Canadian fathers.....425,617
 Born of Canadian mothers.....344,479
 I beg to point out to the House that I take not merely the increases recorded, but I make allowance for loss by death which it is necessary to replace in order to keep up the number that the United States census show—

Mr. Clancy—The hon. gentleman is himself entitled to the full credit for the whole of that.

FLOWER OF CANADIAN PEOPLE LEFT UNDER N. P.

Sir Richard Cartwright—I am entitled for the credit of it? Sir, I did not govern Canada during that period. To their great loss, the people of Canada threw out an honest and capable government, of which Sir Alexander Mackenzie was Prime Minister—(cheers)—and I grieve to say, I deeply grieve to say, that this is part of the price they had to pay for their folly. (Cheers). Remember, sir, that those we lost were the flower of our own people; we gave gold and we gained brass. Let those gentlemen opposita quibble and evade and prevaricate as they will, these facts are published in their own census returns—(hear, hear)—they are verified by the census returns of the United States, and they are confirmed from point to point by the last census of Canada. (Cheers). And, sir, under those circumstances, I am told that there are some who want to go back to these times, that there are even on the Liberal side some who are found to praise that policy and to call the men under whose guidance these things took place statesmen worthy of applause. I point to one damning fact which of itself alone ought to be sufficient to convince the most incredulous. In 1896, ten years after the Canadian Pacific Railway was built and finished, the total number of homestead entries (abating cancellments) were 1,300 in that year—that was not a single case, for they had been going down from year to year—and in 1903 the total number of homestead entries was not 1,300 but 31,000. (Applause).

Under these circumstances these hon. gentlemen have the audacity to complain because I said that the country was being bled white. No truer words were ever put on paper, sir. Do the hon. gentlemen know that during the

thirty years from 1870 to 1900, Canada lost one million and a quarter of her people? The facts are there; they are in the United States returns, verified by our own returns; and you must add to that, if you want to ascertain the true loss, this fact, that the United States returns show that, over and above the 1,181,000 Canadians found in that country at the time of their census, there were 522,000 who were described as having been born of Canadian parents on both sides, more than 400,000 who claimed a Canadian father, and nearly as many besides who claimed a Canadian mother. I am sorry that these things are true; it is an unfortunate showing; but there is no use of disguising the fact. And here I may call attention to a circumstance—and it is the one good thing that emerges from all these deplorable facts which shows that the alarm expressed in some quarters as to the diminution of the birth-rate is somewhat uncalled for. How could the birth-rate be kept up while we were losing every year about 50,000 of our most vigorous population? But now I have no doubt, as I have said before, that the ladies of Canada will be equal to the occasion and will do their duty by their country. These are no idle guesses. I am speaking of accomplished facts, in referring to what happened in the eighteen years from 1878 to 1896, and I have under my hand the record of what has occurred in the last seven years.

USEFUL AND PRODUCTIVE EXPENDITURES.

But, to return to our expenditures. I suppose nobody will dispute that an expenditure of half a million for light-houses is a useful and productive expenditure. We are spending, it is true, \$1,000,000 more per year for militia purposes in 1903 than we did in 1896, when the service was starved to the bone. Well, sir, if we can afford the money, we have a right to spend it. It only amounts to thirty-three cents per head on a population of 6,000,000 for the defence of our country, and I do honor gentlemen opposite the justice to say that up to the present time they have never raised a voice against that expenditure. I claim that another million is the very least that can be allowed as due to the increase of population. I come to the item of \$3,000,000 additional for public works. Here, if anywhere, there is ground for attack. I am not prepared to deny that the Government may have been a little too generous to their friends, and to their opponents also; because a considerable amount has been spent on public works in the constituencies of our opponents, although very little of that sort of thing was done when I was in opposition. I admit that there is a danger in a large surplus, and I admit that the government may have been a little too generous, and their friends may have been a little too exacting in their demands, but,

after all, there was a fair ground for increase in these cases. In part this is capital expenditure. It is not fair to compare the expenditure of 1896 in that respect with the expenditure of 1903. Every one knows that the expenditure of 1896 was put far below the average of the last preceding half a dozen years. Every one knows that it was reduced to a point at which it was impossible to maintain the public services efficiently. (Cheers). I find that from 1890 to 1896 the average expenditure on public works amounted to \$2,000,000. The expenditure of \$4,000,000 to-day is very little more in proportion. I am fairly entitled to add 25 per cent. for the increased cost of labor and materials. Any man who has gone into building operations within the last three or four years knows that I rather underestimate than overestimate the increased cost from these causes. Then, if you add \$1,000,000 for the increase of population, the result gives you \$4,000,000 very nearly, so that it is literally true that, taking into account the increased cost of labor and materials, and the increase of population, we are spending little more in proportion than was spent during the half dozen years before 1896. It is well to point out that our net income has nearly quadrupled in that interval. I may add that this expenditure differs from most other expenditures, because it does not involve an addition to our fixed charges, and is capable, if need be, of being largely reduced; and if I may venture a caution to my colleagues, I would say that it is well that this expenditure should be kept within reasonable bounds.

Now, I want to apply the per capita test. I take the expenditure, less cross entries, for 1895 and for 1903 and the expenditure for 1896 and 1903. For reasons which I will enter into more fully shortly, I believe that the difference in population between 1895-1896 and 1903-1904 amounts to fully 1,200,000. I believe that our real population did not exceed 4,300,000 in 1896, and that our present population is now quite up to 6,000,000. I am not particularly careful about this matter, but such as it is I will give the results. In 1895 the government of the day expended about \$38,000,000. We expended in 1903, deducting the \$7,000,000 of cross entries above referred to, about \$44,000,000. This would give \$7.92 per head in 1895, as against \$7.33 per head in 1903. A similar calculation would give \$7.70 per head in 1896 as against \$7.33 in 1903. I say I do not attach very much importance to this, but if the hon. gentlemen want to go into these minute details, we have our answer ready for them.

I will take a larger side of the question—the debt per family; and here again I think the Minister of Finance was a little too generous to his opponents. When we came into office we found these hon. gentlemen engaged in many costly public works which they had not completed. There were many railway subsidies to be paid,

large sums to be expended to complete the canals, and a variety of public works had been undertaken which would involve a large increase in the public debt. Of these matters my hon. friend took no note, although they account for a large part of the surplus which we accumulated. But, throwing all this away, I will assume that the debt was \$253,000,000 in 1896, and that the debt is \$253,000,000 or thereabouts at the present time.

How stands it, sir? Well, on the percentage of population as I have it, of 4,800,000 for 1896, we would have a charge of about \$270 per family for their share of the national debt in that year. In this present year of grace, 1904, the charge per family could not well exceed, if my hon. friend's calculations are correct, a matter of \$215 or \$216. (Cheers). The net debt per family is, therefore, about \$50 less to-day than it was in 1896. (Applause). I am sorry to perceive that hon. gentlemen opposite do not like these statistics, but that perhaps is to be expected. We know that a certain personage does not like holy water—(laughter)—and it would require, I fear, very strong exorcism—and, judging from those empty benches opposite, I must have been applying it—(laughter)—to dislodge the demons of ignorance, prejudice, envy, hatred, malice and all uncharitableness which sweep the souls of those hon. gentlemen when they look on the achievements of this most virtuous and discreet of governments. (Applause).

I wish to say now a word or two regarding this same census of 1891. Bit by bit, degree by degree, as the progress of the investigation goes on, proofs of fraud and recklessness and of the most intolerable stupidity and carelessness in the compiling of that census are accumulating, and are evident throughout. (Cheers). Not merely was it cooked as to population, but most atrociously as to industrial statistics. (Cheers). I was unable, the last time I spoke on the subject, because the investigation had not gone far enough, to give the details now in my possession as regards some of the industrial statements therein. But I can give some of them now. First we will take—and a curious illustration it is—the condition of the carpet factories, or, as they are called in the volume I have in my hand, "industrial establishments for the manufacture of carpets." Sir, of these there were in 1881, according to the census of that year, eleven in Canada. In 1891, according to the volume I hold in my hand, those eleven had grown and flourished and expanded to 557—(laughter)—an absolutely abnormal growth.

BOGUS INDUSTRIES OF THE CONSERVATIVE CENSUS.

It may interest the House to know how these were worked and managed, how this great result was achieved. Time will not permit me to go over

them all, but I will take, out of compliment to my hon. friend the leader of the opposition—who, I am sorry, is not here—the province of Nova Scotia. In Nova Scotia in 1891 there was a total of 106 industrial establishments for the manufacture of carpets. The working capital of these 106 amounted to \$533, being an average of \$3.25 a head. To do the census enumerators justice, they seemed to have taken pains. The total amount paid in wages, the total value of the raw materials, the total value of the articles produced, the amount of fixed capital in land, are all given. The amount of fixed capital in land reached the sum of \$570. The wages amounted to \$7,353, which would give \$70 a year in wages paid by each, being an average of about \$1.25 per week. I am proud to say that Nova Scotia is pre-eminent in this industry, although some of the other provinces run it close. Ontario, which is usually an extravagant province, had 344 industrial establishments for the manufacture of carpets, and it absolutely required \$114,000 of working capital, being at the rate of \$300 per factory. But when we come to our thrifty friends of the maritime provinces, we get a much better result. In Prince Edward Island there were 25 industrial establishments of this sort run by three men and twenty-two old women, giving an annual return of \$2,000 among the 25, being at the rate of \$80 per year. Do hon. gentlemen want more details, because if they do I can give them? (Laughter.)

Some hon. Members—Go on.

AN UNPARALLELED INDUSTRIAL EXPANSION.

Sir Richard Cartwright—Very well. I am always ready to oblige. Going a little further—and, mind you, these are but sample bricks—(laughter)—I find that the industrial establishments for weaving in Canada amounted, in 1891, to 2,085. The total working capital is put down at \$67,000, being an average of \$33 per industrial establishment. These were manned by 409 men, 1,916 women and about 120 boys and girls. Carrying out the doctrine of average, so dear to my hon. friends, it would seem that the 2,085 establishments may have employed each about one and a quarter man, or woman, or boy, as the case may be. But to prevent any jealousy, I may say that while Nova Scotia undoubtedly carries off the palm in the matter of industrial establishments for the manufacture of carpets, New Brunswick is equally distinguished in industrial establishments for weaving. New Brunswick had 371 industrial establishments for weaving, and—just think of the frugality of my hon. friends in New Brunswick—the working capital they required amounted to a total of \$187, being at the rate of 50 cents per establishment. (Laughter). And these 371 industrial establishments, according to this same veracious volume, distributed \$14,500 in

wages, being an average, as nearly as I can roughly calculate, of about \$38 per year, or 75 cents per week for each. (Laughter). That is not all by any means. It has a most pleasant feature, to which I call the attention of the House. Here you have an absolutely unparalleled industrial expansion, such as I have never seen, or heard, or read of—and my studies of statistics have been prolonged for many years—and yet there was absolutely no friction between capital and labor. I am proud to say that there was a complete absence of strikes, unless, indeed, it be paralytic strikes, which, considering the fact that most of these establishments were operated by ancient ladies well stricken in years, is not much to be wondered at. As to any agitation for greater wages or shorter hours of labor, the thing was absolutely unknown. Employers and employed were not merely united, but it is literally true that they were a unit in the great majority of these industrial institutions. Now, I do not know who conducts the campaign literature on the other side. But if it is my hon. friend from Leeds (Mr. Taylor), I have a mind to make him a sporting offer. Here is magnificent material for a campaign document. Sir, it would require a much less ingenious gentleman than my hon. friend from Leeds (Mr. Taylor) or my hon. friend from Lennox (Mr. Wilson) to construct such head lines as "Rise and Decline of the Carpet Weaving Industry," showing how that industry had expanded under the Conservative rule from a miserable 11 establishments in 1831 to 557 in 1891. And, sir—this is a further detail not yet in the possession of the House, which I feel it my duty to give—you have the further fact that under the baneful influence of the Liberal administration, and, I suppose, of a British preference, 550 industrial establishments for carpet making shrank to 10 in 1901. It is true that the ten appear to produce a great deal more than the 557 did, but that is a mere detail quite unworthy of the hon. gentleman's notice. (Laughter). Now, my offer is this: I think a most admirable campaign document, illustrative of the great effects of the national policy, could be produced. If my hon. friend will give me bonds that he will pay for the printing and see to the distribution, why, sir, I will write it myself. (Laughter and applause).

Mr. Clancy—And will the right hon. gentleman send it out under his own frank?

Sir Richard Cartwright—I was about to say that I will arrange with the Postmaster-General, if it cannot be all distributed during the session I will frank it. (Laughter). On a former occasion I pointed out to the House—and laid a considerable number of documents on the table in proof of my assertion—that this census of 1891 had been conducted with such remarkable energy that the census enumerators in twenty-one counties in the province of Quebec had discovered in March in two

months 40,000 more people than the parochial authorities had been able to find in January. So you have here two of the great triumphs of the national policy—557 industrial establishments created out of 11, and done so cheaply, too; and next the discovery of 40,000 people who had not been known to exist before. (Laughter). But that is not all; there is a greater feat in store behind. In the course of my examination, and my hon. friend's examination, of the census we discovered that we had not at all appreciated sufficiently the energy and ability with which the census of 1891 had been conducted. It gives me pleasure, sir, to give to the House certain details. If my hon. friends opposite will condescend to look at the first volume of the census of 1891, they will find that the total acreage of each county is given. If they will go to the second volume which I have here, they will find the number of acres occupied in each county also given in detail. Sir, the results are very remarkable. Having added 40,000 people to the population of Lower Canada, I suppose it occurred to them that it would be only right to provide the 40,000 with a local habitation. (Laughter and applause). And this is the way they appear to have done it:—According to the first volume of the census, the county of Bagot contained 214,840 acres. But in the second volume we find that the thirty inhabitants of Bagot occupy 247,654 acres—and the details are given at great length, so much in garden and so much in farm, so much in pasture land and so on. Hon. gentlemen opposite seem to dispute the facts. Here are the details set out in full. I give them Bagot as an illustration. As I have said, Bagot, according to the surveyor's account, contained 214,840 acres. But, according to the census enumerators' account, which gives total occupied in crop, total in pasture, total in wood and forest, and total in orchard, the areas of occupied land were 247,645—that is, 191,000 improved; 132,000 under crop, 57,000 in pasture, 56,000 in wood and forest and 1,700 in orchard and garden. And so it went on. Beauharnois, according to the surveyors, had a total area of 89,280 acres, and this was converted into 114,564; Chambly had 87,319 acres, converted into 101,105; Chateauguay had 159,840, increased to 174,216; Deux Montagnes had 165,187 acres, expanded into 183,402; Hochelaga's 51,505 became 74,800; Iberville's 120,960 became 139,191. And so with Jacques Cartier, Laprairie, L'Assomption, Laval, Levis, Napierville, Quebec city, Richelieu, Rouville, St. Hyacinthe, St. Jean, Soulanges, Trois Rivieres, Vaudreuil, Vercheres and Yamaska; all these counties received at the hands of these gentlemen an increase of something like ten per cent. The total area of these counties, according to the first volume of the census, is 2,624,003 acres, while the total area of occupied land, according to the second volume of the census, is 3,015,083 acres. (Laughter.)

MR. FISHER A ZEALOUS AND CAPABLE MINISTER.

Now, I call that a great feat, sir. If it be, as many have thought, a thing deserving of high commendation that a man should make two blades of grass grow where one grew before, what eulogy would be too great for the man who contrived to extract 400,000 acres in Lower Canada out of nothing? (Laughter). Why, sir, two whole counties like Nicolet or Bagot have been added by these generous persons to the total area of the province of Quebec. I know this is an unbelieving generation; I know it is a commonplace to say that the age of miracles is past. But I say: Perish such scoffers, the age of miracles is here. All you want are the proper accessories. Given a Conservative administration, given a national policy, given a census commissioner who is a competent man and who thoroughly understands his business—and the miracle is there. (Laughter). You evolve 550 industrial establishments out of 11; you bring 40,000 people from nowhere; you create 400,000 acres out of nothing. (Laughter and cheers). Let my hon. friend the Minister of Agriculture (Mr. Fisher), if he can, equal that. I know he is a zealous, a capable, a most efficient minister. I know he has added millions upon millions to the agricultural wealth of the country, and I hope he will go on and add still more. But we have his census, a census which cost twice as much—as hon. gentlemen opposite have informed him—as the previous census did. But where are his 557 industrial establishments evolved out of 11? Where has he found 40,000 people more than the parochial authorities had found? Where has he discovered 400,000 acres more territory than the surveyors found in the province of Quebec? (Cheers).

So much for the past; a word or two as to the future. And here again I admit that I do not desire to count too much on our continued prosperity. We have had great good fortune; I trust we may continue to have it. But I would not say that we should count too much on that. Let us see what opposition we have to propose; let us see what policy we have to propose. Sir, what have the Liberal party done in the past? They have diminished taxes and increased revenue. (Applause). What have the Conservative party done in the past? They have increased taxes and reduced revenue. Their policy was tried for eighteen years, and you have seen in what that policy culminated. What did these hon. gentlemen say in effect to us? This: We cannot deny, they say, that Canada is prosperous; we cannot deny that your policy has been successful, even phenomenally successful; therefore, let us change it; let us go back to the good old days, when trade increased at about the rate of one half of one per cent.; when population was at a standstill; when taxes went into private persons' pockets;

when Canada was a by-word for corruption from one end of the civilized world to the other; when these men gave away an empire to a set of railway promoters for a less sum than would pay the cost of the land surveys—surely if you want to go back to the good old times, these are the very men to bring that about. (Cheers).

They think the farmers are too prosperous and they declare it is time to bleed them; the surplus is too large, the taxes are too low; too much goes into the Treasury, too little goes to individual parties; they wish to cut down the surplus, to increase the taxes, to enrich the few at the expense of the many.

Again the two policies are before the people of Canada to choose which they will have. The policy of hon. gentlemen opposite is a policy of high tariff and low revenue, a policy which was tried and found wanting during a matter of 18 years, under which we lost a million of the best of our own people and another million of immigrants, who ought to have settled on our shores, a policy of degradation and a policy of stagnation. What did the national policy do for us?

A CURIOUS AND INTERESTING STATEMENT.

Do hon. gentlemen opposite want to know? I have here a curious and interesting little statement. It is known to all men that between the years 1860 and 1870 the United States were visited with a terrible and desolating civil war. That war raged most fiercely and was most severely felt in Virginia, Tennessee, the Carolinas, Georgia, Alabama, Louisiana, Florida, Texas, Mississippi and Missouri. Sir, what was the result in ten years in those twelve or thirteen states that I have enumerated. In 1860 their population was 9,849,000. In 1870 their population was 11,166,000. They had increased, therefore, in that period by nearly 1,316,000.

The point to which I desire to call attention is that in these thirteen Southern States, which for four years bore the brunt of a desolating civil war, which for six years thereafter were handed over to the tender mercies of negro legislators and carpet-bag administrators, the rates of growth—even admitting, which I do not admit, that the statement in our census of 1880 and 1890 is correct—was considerably larger in proportion in those four years of civil war and six years of negro rule, than it was in the Dominion of Canada after ten years of Conservative misgovernment. Sir, do hon. gentlemen want to restore that condition of things, or does the country desire to restore it? You are the very men to do it. (Cheers).

Now, sir, what of the Liberal policy? How do we propose to perpetuate this prosperity and to keep up the stream of immigration? Let the hon. gentlemen hear and listen and learn if they

can. How do we propose to increase the national wealth of this country?

An hon. member—Taxation.
Sir Richard Cartwright—No; our policy was to reduce taxation.

Mr. Henderson—It was a failure.
Sir Richard Cartwright—Does the hon. gentleman know, or do any of these hon. gentlemen know that the result of the British preference last year was to reduce the rate of taxation on goods admitted under the preference from about 30 to 18 per cent., and remember that this reduction affected not merely the goods imported directly from Great Britain, but had also a most powerful effect in regulating the price of other goods which the people of Canada had to pay for those imported from other countries and those produced by our own manufacturers. If they do not let them consult the report of the Department of Trade and Commerce and they will see.

Our policy is simple, sensible and straightforward.

First of all, we desire to bring in a large but a carefully selected immigration and to make vast areas of new territory available for settlement. Next we desire to arrange for continuous settlement, a most important point; we desire to bridge the enormous gaps which separate the settled portions of the country in the East from those in the West. We desire to provide fair railway competition so that the settlers may get fair value for their products, and we desire above all to put the taxes paid by the people into the public exchequer.

RAILWAY POLICY WILL OPEN UP 300,000 SQUARE MILES.

What will this railway policy do for us? It will throw open 300,000 square miles, one way with another, I grant not all good land, but even the bad has resources. I grant that much of it is probably not profitable, but much remains which is very valuable and available for settlement.

Now a word as to the risk we are taking. I want to show our probable outlay, taking the most unfavorable possible view, compared with our resources and with the resources which the Conservative party possessed when they engaged in a similar undertaking three and thirty years ago. These hon. gentlemen are never weary of telling us that Sir John Macdonald did wisely in 1871 in accepting the risk which he then undertook. There may be two opinions as to that. But let that pass. I will state presently what risk he took, and compare that with the risk which we ourselves are taking.

Now, I will suppose that we have to do the whole work ourselves. I will suppose, although there is no just ground for any such supposition—that there is no return. I will suppose that this road is to cost one hundred, one hundred and twenty or one hundred and fifty millions, if you will. Sir, it will do no such thing. The interest on the great bulk of the outlay will be

provided in a few years directly by the Grand Trunk, indirectly through settlement. I point out that if we succeed in opening up 300,000 square miles, one single family per square league will pay for our outlay; one person per mile will pay us well, and one family per mile will pay us many times.

How does our risk compare with the risk run, as they say with so much wisdom and foresight, by our Conservative predecessors? If hon. gentlemen will look back to the figures I gave a little while ago they will see that in 1871 Sir John Macdonald's total net income after deducting charges over which he had no control, was very little over \$5,000,000. Our net income is over \$32,000,000.

Sir John Macdonald, if his bargain had been carried out as proposed, risked at the very least \$7,000,000 out of his \$5,000,000 of net income in the enterprise. That amounted to at least 90 per cent. of his whole available income. At the outside we propose to risk a matter of 10 per cent. or 12 per cent. of our net income. (Cheers.) I do not believe anything like that amount will be risked. I do not believe there is the slightest fear that the Grand Trunk will abandon the enterprise in which they have joined us. I do not believe that there is the least doubt that a very large part of the interest on our expenditure will be repaid to us long before the next decade has closed. More than that, as I have pointed out our net income to-day in 1904, is four-fold the net income of Canada in 1871.

I point this out further that although there is a temporary rise in the rate of interest, there is a very strong probability that in all human likelihood the rate of interest at present will fall again long before we shall require to become extensive borrowers, and then we will obtain our money at a rate about one-half what Sir John Macdonald had to pay. Then, too, the facility of construction is vastly greater now than it was then. I remember perfectly well the conditions under which that enterprise commenced in 1871, and as well as I can I recollect there was not a single road on the American line within 300 miles of the Manitoba frontier or within 400 miles of the route the railway proposed to travel.

Sir, we have provided from the start for a large traffic on this road. We have a great corporation enlisted as supporters in this enterprise, and the movement of population in that direction is now as well established as anything can well be, and lastly there are no onerous concessions attached to this road, by whomever it may be built; there is no monopoly of the rights of building roads, no exemption from taxes, full control over freight rates, and no vast grants of valuable land to be locked up in "mort main" for a generation. But hon. gentlemen call these trifles. I would like to hear my hon. friends from the west state what I thought was as to the importance of

the concessions to the people of this country. The great drain has been stopped, the new blood is pouring in. (Applause.) We have a very considerable surplus to assist us in carrying out our plans. The risk we run as compared with the risk run with the full approval of these hon. gentlemen in former days is almost absolutely insignificant. There is the very best reason for believing that the influx of settlement into the region we shall open up will far more than repay to our revenue all that we can possibly lose thereby. (Cheers.)

And now, sir, in conclusion, what shall I say to my hon. friends opposite?

An hon. member—Nothing.

STRAINING AT A GNAT AND SWALLOWING A CAMEL.

Sir Richard Cartwright—O ye of little faith, ye strainers at gnats and swallowers of alternative camels, blind leaders of the blind, ye gentlemen who pose as Conservative statesmen and lend yourselves to policies which the veriest demagogue might be ashamed of, ye gentlemen who are everlastingly deafening our ears with your zeal for British connection, although you never held up your little finger to help British connection, ye gentlemen who admire British institutions in theory, though not in practice, and who have proved yourselves the most servile imitators of the worst Yankee tricks that were ever invented, from tariffs of abominations to gerrymanders of all sorts, will you never learn? (Great cheering.) Must I apply to my hon. friend the Speaker for permission to bring to this august hall a blackboard on which I may prove to these hon. gentlemen that two and two make four, that 1871 is not the same thing as 1904, that between 1890 and 1904 there is a great gulf, a gulf almost as wide and deep as that which separates the innocent lambs on your right from the goats, or perhaps I should more correctly say the wolves in sheep's clothing, who gnash their teeth on your left. (Laughter.) These hon. gentlemen have shut their eyes to the plainest facts so long that they have positively lost the power of vision. They have become so politically color-blind that they can not tell black from white, or right from wrong, or truth from falsehood, and what makes the case sadder still is that when benevolent parties like myself, in view of this sad case of political cataract, have tried in a spirit of the purest philanthropy to let in a few rays of light to their darkened minds and still more darkened consciences, the patients are apt to use bad language and rear and bite the hand that would heal them. (Laughter and applause.) You know, Mr. Speaker, from your researches in Holy Writ (laughter), and I know from my personal experience the fate that is apt to befall reformers who in an evil moment

cast economic pearls of truth before a certain description of animals. (Laughter.) To my Liberal friends I have also a word or two to say: Remember what befell the Children of Israel, when after long sojourn in the wilds they had come very close to the border of the promised land.

Thereafter they were in imminent danger of falling victims to the wiles of the Medianitish woman, and it required very sharp and drastic remedies to save them from disaster. I say to them to beware of those Deillahs with whom our camp has been swarming since 1904, who will take all they have and give them nothing in return, who will make a mock of them, who will shear them, strip them and sell them. For myself I think I may say that I am immune and that I can defy the craftiest daughter of Eve who ever wore scissors at her girdle to shear my locks. (Laughter.) Deillah may get my scalp, but she never could get my hair. (Laughter.) I say to my hon. friends that they have humbled better than they knew, and that when they go to the country, they will go with a record that was never yet approached. (Applause.)

LIBERAL RECORD BEST IN COMMERCIAL HISTORY OF THE WORLD.

Sir, it is a simple fact that the record of the Liberal party from 1897 to 1904, let hon. gentlemen say what they will, is not merely the Confederation, but it is the best in the commercial history of the world for the last seven years. (Cheers.) Sir, they have wiped out the reproach which for thirty years we have had to endure. It was said: You Canadians boast that you possess a magnificent territory, a territory of vast resources, a territory of unsurpassed fertility in great part, a territory of great area, a territory which is able to contain and support in prosperity fifty million or one hundred million of people, and yet you have only 5,000,000 of inhabitants and you have not been able to keep your people in your own territory. You have become little better than a mere breeding ground for the people of the United States. (Cheers.) For thirty years the record with which you were faced was that every third male adult between the age of eighteen and forty born and reared in Canada, found his way into the United States, and of immigrants that came into the country you were only able to keep ten per cent. All that was true, all that was deplorably true, but I am glad to say that we have changed all that. (Great cheering.) In the present decade there is very good ground to hope that we will gain a million, to be added to our population instead of losing half a million, and those too the flower of our own population, we are gaining the flower of theirs. (Cheers.) Now, I say to my hon. friends that I advise them not to be mock modest about these

things. I advise them to claim credit for all that they have a right to claim credit for. I admit that we have had great good fortune, but the greatest opportunities will come in vain unless the opportunities are well used. It is true that we have had a good chance, but it is not true that we have gained population, least of all have we gained population in the ratio we have lately done from the United States, without great and long continued exertion on our part. The ground was ploughed, the ground was harrowed, the seed was sown and we are now reaping the crop of the exertions of my hon. friend the Minister of the Interior in the last seven years. (Cheers.)

Sir, it is not true that our increase in trade, especially in the matter of the increase in agricultural products, has been obtained without exertion and without careful provision on the part of this Government. Least of all is it true that the overflowing treasury that we are now possessed of and which we have filled at greatly reduced rates of taxation from those which prevailed before could have been gained without adopting what was substantially a revenue tariff, as an hon. gentleman opposite was forced in spite of himself to admit the other evening. That is what I claim for the Liberal Party; no more, no less. (Cheers.)

Let our opponents juggle as they will, let them mis-state, let them misrepresent and detract as they please, they

cannot alter these great facts that in the last seven years the net revenue of Canada has quadrupled, that in the last seven years the increase in the volume of trade is double that which took place in the past thirty years, that our population is increasing to-day in all probability at the rate of 1,000 per cent., certainly at the rate of 500 per cent. faster than it was in the decade before. (Cheers.)

Now, sir, I do not pretend to say that I or anybody else can undertake to guarantee this country against reverses. We may have to face a world wide depression as other countries have had to face it, we may have a succession of bad harvests. There may be difficulties, dangers and disappointments. There may be financial troubles, wars and rumors of wars. We may have a chapter of adverse accidents to encounter, but if my hon. friends of the Liberal party are only half as constant to good government and good principle as these hon. gentlemen opposite have shown themselves to be to evil ones, sir, I believe that the close of the next decade will see Canada still standing where Canada is to-day, and that is not merely amongst the foremost but the first, primus inter pares, of all the nations not only of those with whom we trade, but of every considerable nation throughout the civilized world.

(Great cheering and applause ensued as the speaker resumed his seat.)

