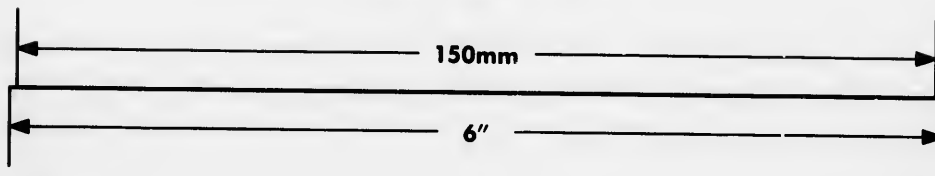
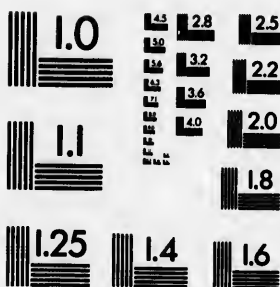
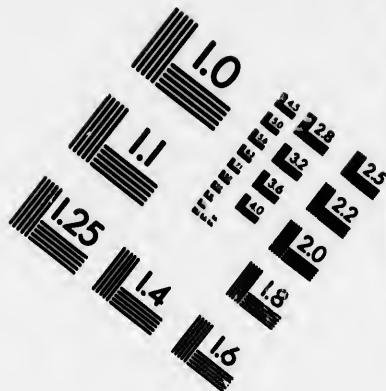
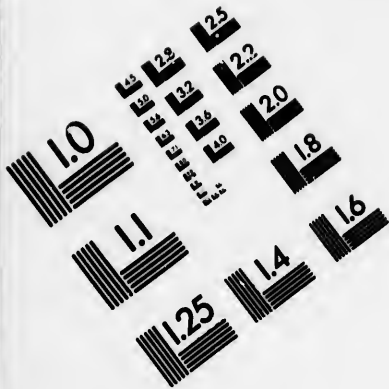


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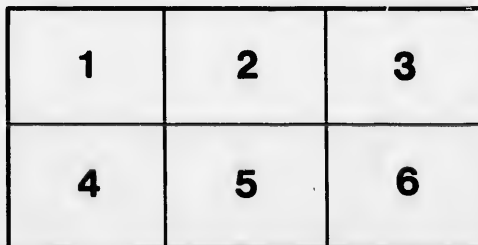
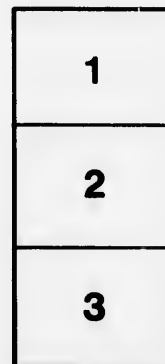
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# MR. MILLS' SPEECH

At Thamesville, 25th May, 1878.

Mr. Chairman, ladies and gentlemen: As the time over which the present Parliament extends will expire in March next, and as it is possible that another session may not take place before the elections, I think it well that I should avail myself of an early opportunity after the session of addressing you on various topics of public interest and importance. You are aware that the present Government have been in power since November, 1873, now nearly five years. They have had the duty imposed upon them during that time of administering the public affairs of this country, and you have had ample opportunity of comparing their conduct and administrative capacity with the conduct and capacity of those who preceded them. Various charges have been made against us by our opponents—some of them affecting the honesty and some of them the ability of the members of the Government. These charges are too numerous and too important to be dealt with in a single speech; and it is, therefore, my purpose, at the different meetings I intend holding within my constituency, to answer the accusations made by our political opponents fully and completely; to contrast our conduct in office with their conduct in office; and to

## COMPARE THE POLICY

which we have marked out for ourselves in the future as being in our estimation for the advantage and interest of the country with that which is indicated by their various speeches and the resolutions they have moved in Parliament and endorsed at their party caucuses. It will be my duty also to speak of matters which more especially concern my own department, and particularly Manitoba and the Northwest Territories; to discuss those subjects which are under my own special cognizance as a Minister of the Crown, and in which, on account of my being your representative, you will no doubt feel more interest than you otherwise might. On four occasions during the past twelve years you have accorded me your confidence as the guardian of your interests in the Parliament of Canada; on four occasions have the Reform party of the County without dissent given me their earnest and cordial support. You have again nominated me as your candidate at the forthcoming contest. Need I tell you, gentlemen, that

## I HAVE NO MISGIVING

as to the result? I am grateful for the confidence and the hearty and disinterested support which I have heretofore received, and I shall indeed have great pleasure in discussing with you fully, and without any reservation, the various matters which are now occupying the public attention, and which at no distant day must be submitted to the arbitrament of the nation. There seems to be a disposition on the part of the Tory party to make the financial policy of the Government the subject of adverse criticism, to charge the responsibility for the straightened circumstances of the population upon that policy, and to hold out to the country the hope—a vain one, I confess—that if we were turned out of office, and they were restored to authority, this condition of things which has prevailed to a much greater extent in Great Britain and the neighboring republic than here, would wholly disappear. A state of things would then prevail throughout this Dominion which, if we could but credit a small proportion of what these gentlemen tell us, would make our populations almost as happy as they who lived in the

## FABLED AGE OF SATURN.

It is my purpose to analyze this picture, so flattering to its authors, and so condemnatory of the Government; to examine the various representations made to their advantage and to our detriment, and to ascertain so far as the facts will permit how well, or how ill they accord with truth. First, I would call your attention to the line of argument taken when what is called the "National Policy" was first enunciated. I speak with perfect accuracy when I say that when it first made its appearance it was an unexpected, and to many, an unwelcome little stranger. I shall examine it, so as to enable you to perceive all its limbs and features, as they were in its infancy. I shall point out to you what vicissitudes it has experienced, and what modifications it has undergone; and I shall call your attention to its present appearance. You will thus see how much it has changed as it has grown, and how very different it is at this moment from what it was when first presented to you for your favor by its progenitors and patrons. It reminds me of a story once told

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A servant said to him: "Do you see that old woman passing on the other side of the street?" "Yes, sir. When I was an infant, my mother sent me out to nurse, and placed me in the charge of that woman; she traded me off for another child; I was not sent back to my mother, but the other child was; she often said to me that old hag cheated me. I really believe Willie you are not the same; and my mother was right, sir, she could see there was roguery about it; and had it not been for that old woman's dishonesty, I no doubt would have been a very different man to-day." (Laughter.) This story is strictly applicable to the "National Policy," which is not the same being at all as when it was a child. (Laughter and applause.) The Opposition have been on this question

DRIVEN FROM POINT AFTER POINT

of the original programme until almost none of it remains. They boldly asserted at first much that they have since been compelled to modify or explain away, and they have adopted in the end a platform which may mean as much or as little as may please the fancy, or the prejudices of those who are disposed to be misled. It is said by Tom Hood that there is a certain class of people who take a

PLEASURE IN BEING HUMBUGGED,

and there cannot be a doubt that the resolution moved by Sir John A. Macdonald during the last session of Parliament, is in the highest degree suited to those who delight in political charlatanism. It is only necessary to blow a bubble, and see how many will subscribe for soap. (Great laughter.) The country will no more have forgotten than the members who were in the House of Commons at the time, the extraordinary spectacle presented by the late Government in 1870 when they announced at 5.00 p. m. their determination to stand by the tariff as it was, and at 7.30 came down with a proposition to modify it by imposing a tax on coal, salt and breadstuffs. This change was made at the instance of Dr. Tupper, who was not then a member of the Administration. These modifications the Doctor defended at length, as also did Sir John Macdonald; while Sir A. T. Galt, who at that time still declared himself an advocate of the fiscal policy which he had enunciated in 1866, as vigorously opposed them. Dr. Tupper did not pretend to argue at that time that the changes he proposed in the tariff were proposed as other than a means to an end—that end being the freedom of trade of which he stated he had always been a zealous advocate. The ground upon which he supported his pro-

position was this: He said the policy of retaliation was calculated to secure a modification of the tariff of the United States in favor of Canada; and Sir John Macdonald expressed himself in a similar way. If we could not secure reciprocity in trade, they argued, we were to have a reciprocity of tariffs—or, I think, the expression then used by Dr. Tupper was that we were to adopt towards the United States

A RETALIATORY POLICY.

The phrase "reciprocity of tariffs" was a later invention. Such was the ground taken in 1870 when the "National Policy" first saw the light. The following year, however, the "National Policy" was abandoned, having been voted down by an immense majority, although the Reform party at the time formed not more than one-third of the representation in the House of Commons. A large majority of the Conservatives, who had supported the policy, united with the Reformers, after it had been tried for one year, in voting it down, in order not to subject themselves to the odium which it would bring upon them, at the general elections which were shortly to follow. I was not present at the birth of this interesting young waif. It was born during the dinner hour. (Laughter.) It was introduced to Parliament as

DR. TUPPER'S BABY.

It was accepted by the Conservative members for the moment as a most proper child. A year later, I was present at its death, and assisted at its funeral obsequies. I had the melancholy pleasure of pronouncing the usual obituary. Dr. Tupper may have regretted its early death, but he did not seem to be a distressed parent. (Laughter.) Although it has since appeared large, vague and shadowy like the ghosts of Ossian. From that period until after Sir John Macdonald and his party were obliged to leave office, they made no serious attempt to modify the tariff in the direction of protection to manufactures or any other class of the community. It was not until after they were driven from power, and were seeking for something which they regarded as a popular cry, that the policy of protection was adopted as the policy of the Conservative party. In 1876, Sir John A. Macdonald moved that the "House regrets His Excellency the Governor General has not been advised to recommend to Parliament a measure for the readjustment of the tariff, which would aid not only in alleviating the stagnation of business deplored in the gracious Speech from the Throne, but would also afford fitting encouragement and protection to the strug-

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gling manufactures and industries, as well as to the agricultural products of the country." In his speech in support of this resolution, he laid down the doctrine—as he had in 1870 when supporting Dr. Tupper's "National Policy"—that we ought to adopt a retaliatory tariff towards the United States. If we had a surplus of products, he said, it could do us no harm to exclude the Americans from our market. He declared that Indian corn was used only for purposes of distillation, and that we might afford to put a small duty on it. At a later period, however he took the contradictory and somewhat inconsistent position that Indian corn ought to be so taxed as to encourage the growth of coarse grains by the farmers, and that the distillers ought to pay the agricultural population good prices for their peas, rye, and other coarse grains which might be used in distillation, implying that he favored a policy prohibiting the importation of corn. He also read an extract from a United States manufacturers' advertising sheet, called the *American Manufacturer*, to show that Free Trade had been a failure in England, and he predicted that at a very early day those who recently clamored for free trade and free bread in England would be agitating for a return to Protection to prevent them from being beaten in their own markets. In 1877 this resolution was further elaborated and brought out in a new form. Regret was expressed that the Government had increased the burden of taxation on the people, without any compensating advantage to Canadian industries; and further, that the House was of opinion that the deficiency in the revenue should be met by a diminution of expenditure, aided by such readjustment of the tariff as would benefit and foster the agricultural, mining and manufacturing industries of the Dominion. This resolution presents, apart from the question of Protection,

#### TWO NEW FEATURES

which may require a moment's consideration. The one is an expression of regret that the Government had increased the burden of taxation on the people, and the other that the deficiency in the revenue ought to be overcome by a diminution of expenditure. Permit me to digress for a brief space from the subject in hand to notice these two propositions. That very same session the Government intimated their inclination to suspend work on the Lachine Canal, in consequence of the stringency of the times, but the line was taken by the Opposition that this would be an improper thing to do, because a large number of people in Montreal

and elsewhere were without employment, and that to suspend work on any of the public undertakings would be throwing out of employment many more, and they also argued that the money paid out to them in the form of wages would return to the public Treasury in the form of customs duties. Of course, this was an exaggerated statement. I merely mention these facts to show you that at the very time this resolution was proposed by Sir John Macdonald, and supported by his followers, expressing regret that a reduction in the public expenditure had not been made, they were, with seeming earnestness, urging upon the Government to proceed with a work which, owing to the deficiency in the public revenue, they were disposed to suspend for a time, with a view to affecting that reduction which the Opposition "theoretically" favored. (Applause.) With regard to

#### THE ALLEGED INCREASE OF TAXATION,

it was quite true that we had imposed heavier duties upon malt, which would be paid by the consumers of beer, and we had also imposed an additional duty of one cent a pound upon tea, which would scarcely have a perceptible effect upon the price of the article, and which in no way affected the price of any other commodity in the country. Yet if we were to act in accordance with the policy sanctioned forth by this resolution, although we might diminish the public expenditure, we would have to increase immensely the burden of taxation beyond what was done by the two items of increase referred to. It is important that people should know that the effect of the Opposition policy would be to take money out of the pockets of thousands in order that it might go into the pockets of a dozen. (Cheers.) At the same time, be it remembered, we reduced the tax upon coal oil from 15 to 6 cents per gallon, and if by this arrangement we put more money into the public treasury we certainly took less money out of the pockets of the people. But you may ask, can we put more money into the treasury of the nation without taking more out of the pockets of the people? Most assuredly; and it is one of the principle objections to the policy propounded by our opponents, that if adopted, the people will pay enormous taxes that will not reach the national treasury. I am not at this time going to further discuss the effect of the proposition Sir John Macdonald made. I will take an opportunity of doing so on another occasion when I think I can satisfy even those most prejudiced against us that the proposition implies not merely

. AN IMMENSE INCREASE IN THE TAXES

of the people, but that the greater proportion of it would never find its way to the public treasury. During the session just closed, the policy of the Opposition was once more set forth in the amendment moved by Sir John Macdonald in the following words: "That this House is of opinion that the welfare of Canada requires the adoption of a 'National Policy,' which, by a judicious readjustment of the tariff, would benefit and foster the agricultural, the mining, the manufacturing, and other interests of the Dominion—(it was to be a universal blessing)—that such a policy will retain in Canada thousands of our fellow countrymen now obliged to expatriate themselves in search of the employment denied them at home; will restore prosperity to our struggling industries—(I wonder how long they will have to struggle before they are able to stand alone)—now so sadly depressed, will prevent Canada from being made a sacrifice market, will encourage and develop an active inter-provincial trade, and moving (as it ought to do) in the direction of a reciprocity of tariffs with our neighbors, so far as the varied interests of Canada may demand, will greatly tend to procure for this country eventually a reciprocity of trade." Well, what an extraordinary amount of good this wonderful policy would accomplish. (Laughter.) Here we have a revival to some extent of

**THE DOCTRINE OF DR. TUPPER IN 1870,**  
that we would be certain to succeed in compelling the Americans to come to terms on the question of reciprocity by a policy of retaliation. This resolution is a singular conglomeration of contradictory propositions. We are told that we require such a judicious readjustment of the tariff as to prevent Canada from being made a sacrifice market, and such a readjustment as will encourage an active inter-provincial trade. This means, for instance, such a tax on sheep as would compel the people of British Columbia to send to Ontario for the sheep they require, instead of purchasing them in the adjoining territory of the United States—such a tax on coal as to compel the manufacturers of Ontario to purchase their coal from the mines of Nova Scotia, instead of from Ohio and Pennsylvania, as they do at present—such a tax on salt as would compel

**THE PEOPLE OF NOVA SCOTIA**  
to purchase their salt at the wells near the town of Goderich instead of obtaining it from the West Indies and Liverpool. A more extreme doctrine of protection than this could not very well be put forward.

Then you have this extraordinary rider tacked on to the resolution—that this is to be done so far as the interests of Canada may demand—which means, in the ordinary acceptation of the term, so far as is necessary to bring about the result aimed at, but which obviously was intended as a loophole to escape from protection should they have the good fortune to defeat us, and we are told that the adoption of such a policy for such a purpose will eventually lead to what?—why, to the establishment of reciprocal free trade—(laughter)—which, when established, will restore that very condition of things which

**THE MODERATE TARIFF OF THE PRESENT**

was designed to hinder as little as possible. Can there be conceived a more absurd and self-contradictory proposition than this? (Applause.) It is implied that the exchange of products between Canada and the United States at the present time is disadvantageous to Canada; that it is important to prevent this exchange, in order to compel the people of the different Provinces to trade amongst themselves; this interprovincial trade it is proposed to bring about by preventing trade with the United States, and for what purpose is this done? Is it an end to be attained? Not at all; this policy is intended to establish more intimate and extensive trade relations between this country and the United States than exist at the present moment, whereby this inter-provincial trade may be superceded. The complaint of these gentlemen is that there are impediments in the way of this trade, and that the way to remove them is to make them so formidable that they cannot be surmounted. This resolution was not framed with a view to laying down a policy to which practical effect could be given. It was.

**NOT FRAMED WITH A SINCERE CONVICTION**

that the various propositions embodied in it could be made the basis of any policy upon which the public affairs of this country could be administered; and this being the case, it was not necessary to consider seriously whether its various parts harmonized or not. It was merely intended to please everybody, to catch votes, to secure popular favor, to serve as a sort of ladder by which those who framed it could climb to office, and then having served their purpose it might easily be kicked away. This resolution also contains an assertion that I had well nigh passed by unnoticed; it assumes that there is at the present time a very large emigration to the United States from Canada. This is wholly erroneous. I pointed



out in 1876 that the emigration from the most highly protected districts of the United States was very much greater than from any part of Canada; and Mr. Ross, the member from West Middlesex, surprised Sir John Macdonald very much when he pointed out most effectively that the emigration was much less than under our predecessors: that in 1871 it was 47,024; in 1872, 30,454; in 1873, 42,021; and in 1876, only 21,616. There never was a time in the history of Canada when so few were leaving the country as last year, and this. We are opening Manitoba and the North-West, and thither our people who leave the older provinces go. Dr. Tupper complained that the Finance Minister so mismanaged the affairs of the country that there has been a deficit for the past three years, and that no steps have been taken to remedy what is termed "this great disaster." Prof. Thorold Rogers' work on Cobden's political opinions might be studied by Dr. Tupper with advantage. He observes that men who are ignorant of political economy are in the habit of blaming the Government for the stringency of the times. The Doctor informed us what he would do if he were Bengough. "He would represent the Finance Minister as General Distress giving the word Starve!" I do not concur with this statement of the Doctor's. Were he Bengough he would have too much genius and

#### TOO MUCH SENSE TO DO ANYTHING OF THE KIND.

He says we changed the fiscal policy of the country—that the policy of the Government of Sir John Macdonald was a policy of Protection—that a 15 per cent. tariff then was more protective than a 20 per cent. tariff would be now. That then we were really protected as against the United States, and that the expense of carrying goods across the Atlantic protected us against England. What are the facts? In 1872, we purchased upwards of \$10,300,000 worth of cotton goods; in 1873, about \$10,000,000 worth; in 1874, \$11,000,000 worth; in 1876, about \$7,000,000 worth; and in 1877, \$7,400,000. It matters not to our cotton manufacturers whether our cottons come from England, from the United States or from China. It is the fact that they come at all that creates the competition, and it is no more detrimental to the manufacturer to be undersold in the Canadian market by the Lowell than by the Manchester manufacturer. The result to him is all the same. What I wish specially to call your attention to is the fact that the value of cottons imported into Canada from other countries was less in 1877 than in 1872 by about \$3,900,000, and less than in 1874 by

about \$3,250,000. (Cheers.) If we look to the

#### IMPORTS OF WOOLLEN GOODS

again, we find that in 1872 upwards of \$12,000,000 worth were brought into Canada, while in 1877 the value of the importations of these articles had fallen to \$8,000,000, or a decrease of 33 per cent.; of these importations, \$11,900,000 worth were from Great Britain in 1872, and in 1877 the value from Great Britain had diminished to \$7,500,000. So that it is clear to the dullest comprehension that in so far as our woollen manufacturers have had competition at all, it has been a competition with the English and Scotch manufacturers, and not with those of the United States. Any one who has made himself at all familiar with the tariff of the United States will quite readily understand why such is the case. Cotton goods stand in a somewhat different position. The raw material of cotton goods is grown in the United States. It is a product of the country; and being a product of the country, the manufacturers obtain it free, it being only taxed incidentally through the imports upon the subsistence of the laborers and upon the machinery employed in its production. Then, if we look at

#### THE IRON AND HARDWARE TRADES,

we find that in 1874, nearly \$18,000,000 worth were imported into Canada, of which \$14,000,000 were from England, and about \$4,000,000 from the United States. In 1877 there were but \$10,000,000 imported, of which about \$6,400,000 were from England, and \$3,600,000 from the United States. I shall again deal with this subject more in detail, but I take these three leading articles of importation in the meantime for the purpose of showing you how utterly unfounded are the representations of Dr. Tupper; how untrue it is to say that the Government of which he was a member established a fiscal system by which the manufacturers of Canada were protected, and were enabled in consequence of that protection to grow and prosper especially because they had been given the Canadian market in which to sell Canadian goods to the exclusion of foreign products. We had a very much larger importation of foreign goods into the Canadian market in the two last years of the old Administration than in the two last fiscal years under the present Government. If it be true that our native manufacturers are in the terribly depressed condition they are represented to be, there cannot be a shadow of a foundation for the idea sought to be inculcated that the depression is due to increased competition in Canadian market.

ets, caused by increased quantities of the products of the foreign rivals of our own manufacturers. (Cheers.) The value of our entire imports was for 1872-3, \$128,011,281; for 1873-4, 128,213,582; for 1874-5, \$123,070,283; for 1875-6, \$93,210,346; for 1876-7, \$90,327,962. So you see there was brought into the country, the product of the industries of other nations, to use the language of Dr. Tupper, to compete with our home industries, nearly \$32,000,000 worth a year more in the two last years of the late administration, than in the last year of our Government. Now, I am not contending that Canada was injured by these importations. I am not contending that her people were less prosperous in consequence of them; but I am pointing out, what the facts stated prove conclusively that if there is less prosperity now than formerly, it is not in consequence of our having purchased abroad those things which we can buy more cheaply than we can produce, and which we buy abroad because we can produce the means of purchasing them more easily than we could the articles themselves; that it was not because the Doctor and his colleagues prevented foreign imports, for they were imported much more largely than they have been since. Both Dr. Tupper and Sir John Macdonald, in addressing the House of Commons, declared it as their deliberate opinion that the list of free imported goods should be enlarged, that all raw material should be free, and that machinery employed in manufacture should also be imported free. They intimated that there should be other changes in the tariff, and that the "native industries" required these other changes to be made. Well, if this be the case, these gentlemen must have determined what industries are and what are not suffering, what would be improved and what not improved by change. But have they undertaken to specify? We have to some extent compelled them to do so, and I shall hereafter tell you how well they disagreed. How can they say that further protection is needed, if they don't know which industries are suffering for the want of it? Sir John Macdonald could tell the manufacturers of Hamilton nothing. How, then, could he venture to put a resolution upon the journals stating that something should be done—that the government were censurable for not doing he knew not what! (Applause). Let us

#### LOOK AT THE FACTS.

The value of the free goods imported from Great Britain in the year 1877, as shown by the trade and navigation returns, was \$6,665,463, and the dutiable goods, \$32,916,776.

Now, if the free list were to be enlarged, which of those articles paying a duty should be put upon the free list? The free goods imported from the United States last year amounted to nearly \$28,000,000, and the dutiable goods to \$23,510,000. The duty on some of the articles formerly taxed has been increased. Some slight modifications have been made in the Tariff in consequence of our necessities, and some in accordance with the general policy upon which taxes had been imposed upon imported articles. But

#### NO ESSENTIAL CHANGE

has been made in the fiscal policy of the country. We imported from the United States, in 1873, of machinery to the value of \$1,136,156; in 1877, to the value of \$416,223. Of musical instruments, we imported from the United States in 1873, to the value of \$574,536; in 1877, \$442,147. Of iron and hardware, we imported from the United States to the value of \$3,955,264, in 1873; in 1877, \$3,693,846. Wrought stone, 1873, \$38,108; 1877, \$10,747. I quote these figures to show you that in all these articles the importations from the United States were greater in 1873 than 1877. The figures I have quoted show that in so far as there has been any increase in the importations from the United States since the advent to power of the present Government there has been a corresponding decrease in the importations from England, proving that so far as there has been any competition in the Canadian market on the part of American manufacturers, it has been with the manufacturers of Great Britain rather than with the manufacturers of Canada. And why, let me ask you is this so? For this very obvious reason, that there has been a greater shrinkage of prices in the United States than in England, and from the straitened circumstances of the people, we can for the moment buy some articles to a greater advantage in the United States than in England. Then, when Dr. Tupper speaks about raw material being admitted into the Canadian market free from duty, and also the machinery used by manufacturers, I have some

#### CURIOSITY TO KNOW EXACTLY WHAT HE MEANS.

What, I wonder, does he call machinery used by manufacturers? Does he include saws, files, planing machines, and the various tools used in sash and door factories and in mill factories? Does he include carding mills, spinning jennies, power looms, knitting machines, and the machinery required for cotton mills? Does

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he propose that these shall all be admitted free of duty? This policy he did not favor when in power. They did for a time admit machinery of certain kinds, when not manufactured in the country (a practice that led to numerous frauds upon the revenue), but this is a wholly different proposition. Dr. Tupper informed the House of Commons that the late Government had given the people of Canada tea and coffee free from duty, and that they had prevented the trade between this country and China from being swept away. We imported last year about 6,000,000 pounds of tea from the United States, about the same quantity from Great Britain, something over 200,000 pounds from China and about 1,000,000 pounds from Japan. It is not true that these gentlemen kept the tea trade alive, as he asserted, by a 10 per cent duty. The tax of 10 per cent was only imposed on tea imported from the United States, and not upon tea imported from Great Britain, or that come from the United States by way of the St. Lawrence. The imports vary considerably in different years. For 1875-6 we imported 5,000,000 lbs. from Great Britain, 5,000,000 lbs. from the United States, 1,086,000 lbs. from China, and 2,250,000 lbs. from Japan. The only effect of this discriminating tax was to compel the merchants of Ontario not to purchase their teas in the American markets, even when it was most convenient for them to do so. The result is that the three or four

#### SHIP LOADS OF TEA,

which were formerly carried into Canada by the St. Lawrence at a cost of \$170,000 to the Canadian population, are now, it is true, carried by New York, or Liverpool, but carried as much as ever by Canadian ships.

There was imported into Canada last year

#### 769,686 TONS OF COAL

from the United States, which, with a tax of 75c per ton—a tax which would be wholly inadequate to enable the coal miners of Nova Scotia to send their coal west of Montreal—would be in effect taxing the manufacturers of Ontario nearly \$600,000, without enlarging in any way the market of the Nova Scotia coal-owners. Dr. Tupper says he kept taxes off our ships. Let me ask to what extent? If his policy were successful, there would be nothing for for ships to do—no foreign trade; in the end no marine, and no mariners. (Applause.) The member for Cumberland boasts that it is possible to make a country

#### PROSPEROUS BY ACTS OF PARLIAMENT—

that you can so manipulate the fiscal policy by an Act of the Legislature as to add largely to its prosperity; and in proof of this he referred to the removal of the duty upon coal oil. The illustration is an unfortunate one in many particulars. First, because it is contrary to the general principle laid down in the "National Policy" with which it is hoped to delude the more simple-minded among the people of this country. These gentlemen have been calling out for a Reciprocity of Tariffs; Dr. Tupper has been especially prominent in his demand for a policy of this sort. If this means anything, it means the imposition upon the products of the United States coming into Canada a tax equal in amount to that imposed by the United States on similar articles going into their markets from Canada. Coal oil cannot be made an exception, and instead of reducing the duty, as we did, and as Dr. Tupper thinks we ought to have done, we should have increased it. (Hear, hear.) I think the American duty upon coal oil from Canada is 40 cents per gallon; ours, I believe, was 15 cents. This tax was imposed not by us, but by Dr. Tupper and his colleagues. What was the result? That an inferior article was produced in Canada, that there were rings and combinations in the business by which the people of Canada both suffered and lost. It

#### YIELDED NONE OF THE ADVANTAGES PROMISED.

Coal oil rose from 20 cents to 40 and 50 cents per gallon. Large rents were actually paid upon establishments in order that they might be kept closed, just as the Onondaga salt manufacturers rented immense salt works upon the Ohio at upwards of \$70,000 a year, in order not to have them competing and then closed them. And why? Because this policy enabled the rings to take from the population a still larger sum of money than it cost to make these arrangements. (Applause.) Apart from the direct results to the consumers, there were equally disastrous results indirectly. Smuggling went on. Along the whole Quebec frontier, an article of superior quality at a much lower price was imported from the United States. The price of coal oil in Canada was very high, and the Government received no revenue from what was secretly brought into the country. The duty was, therefore, largely reduced—not, perhaps, so much as it ought to have been; but still an enormous step was taken in the right direction. The public revenue was benefitted, and the position of the Canadian consumer was also improved. This result, it is true, was brought

about by an Act of Parliament. But how? By

#### UNDOING THE MISCHIEF

which had been done by a previous Act. (Cheers.) There can be no doubt that immense benefits have been brought about in England by legislation changing the fiscal policy of the country, but not in the sense that Dr. Tupper says legislation may benefit: it was brought about by undoing the mischief done by the meddling legislative of those who preceded us. In fact, the whole of the improvement in this, as in other cases, has consisted in removing the positive mischief that has arisen from acting upon the principle laid down by Dr. Tupper that the Legislature can put money into the pockets of the people, make men richer, and confer upon them positive benefits by an Act. (Applause.) If we were to undertake to improve the condition of other industries as Dr. Tupper says we have done in the case of coal oil, how should it be done—by putting on more taxes, or by taking off those which have been imposed? Have you any doubt? Do you suppose that that can be a wise policy which proposes to make people rich by Acts of Parliament? You know that Mr. Wallace, of Norfolk, a leading supporter of Sir John Macdonald, proposes to

MAKE THE COUNTRY RICH WITH AN ENGRAVER AND A PAPER MILL.

You have only to print Government notes, and declare by Act of Parliament that they are money and the thing is done! (Laughter and cheers.) Well, if this were so, how easy it would be to make every body rich! Print notes, call them by large amounts. It would be as easy to print one for \$10,000, as for ten cents. In our programme these magic ways of growing rich are unknown. We

LEAVE SUCH TALES TO THE "ARABIAN NIGHTS"

and the Tory leaders. We believe that wealth is the product of industry and economy, and we say what we believe. When Parliament was in session Mr. Gibbs of North Ontario told the House that we ought to adopt a policy of protection because we saw every day "business men" were becoming insolvent. At the moment I asked him to what classes these insolvents belonged? Were they traders or manufacturers? He replied that he did not know—(laughter)—that it made no differ-

ence; that our interests were all the same, that we must prosper or suffer together. Let me, gentlemen, state to you some facts, and you will see how far these general platitudes were beside the reality. In 1876 I made special enquiry into this subject, and let me state to you some of the facts, and they disclose in a way that leaves no room for doubt

WHERE THE STRINGENCY OF THE TIMES MOST HEAVILY PASSES.

From January, 1875, until February, 1876 the liabilities of insolvent manufacturers, were \$5,271,631, and of insolvent merchants and traders \$16,235,479. That is, the losses of the class against whom we are asked to legislate exceed that of the class whom Sir John Macdonald and Dr. Tupper propose to take under their special care! (Applause.) There has been a falling off of imports to the extent of \$30,000,000 a year. The profits on so much trade is gone—the foreign competition has proportionally diminished; so, too, has the revenue, and the distress is to be relieved, and the revenue improved, and the difficulties tided over by further hampering trade and further diminution of customs! I need say no more at present. What is the remedy the Opposition proposes to apply to relieve those whom they tell us are suffering? Tax them. (Laughter and cheers.) Keep out imported goods; stop the collection of customs; limit sales. Did anyone ever hear of such an extraordinary remedy. (Hear, hear and cheers.) In conclusion, Mr. Mills said he had confined himself to the discussion of certain features only of the protectionist policy, which he intended to develop further in future addresses throughout the country. He thanked the electors for the confidence they had always placed in him. From the time he was first honored with their suffrages to the present he had felt himself free to act in Parliament as his conscience and judgment directed, because he knew that those who sent him there, would, after hearing his explanations, and the reasons that impelled him to adopt a certain course, approve of his acts. He again thanked them for their undeviating support; for that continued confidence that has not known distrust; for their unclouded friendship, and for that diligence in his behalf that has never grown tired. (Prolonged cheers.)

