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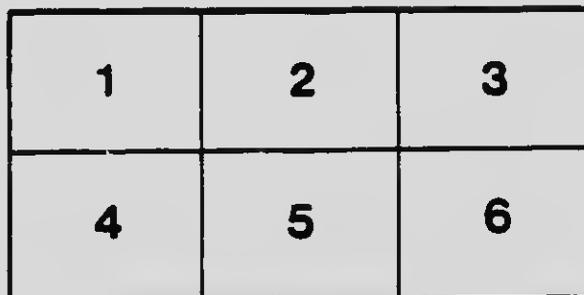
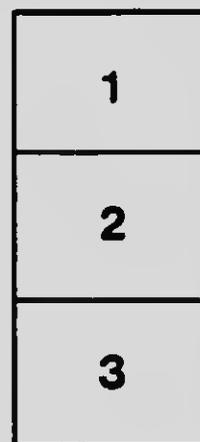
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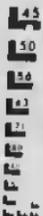
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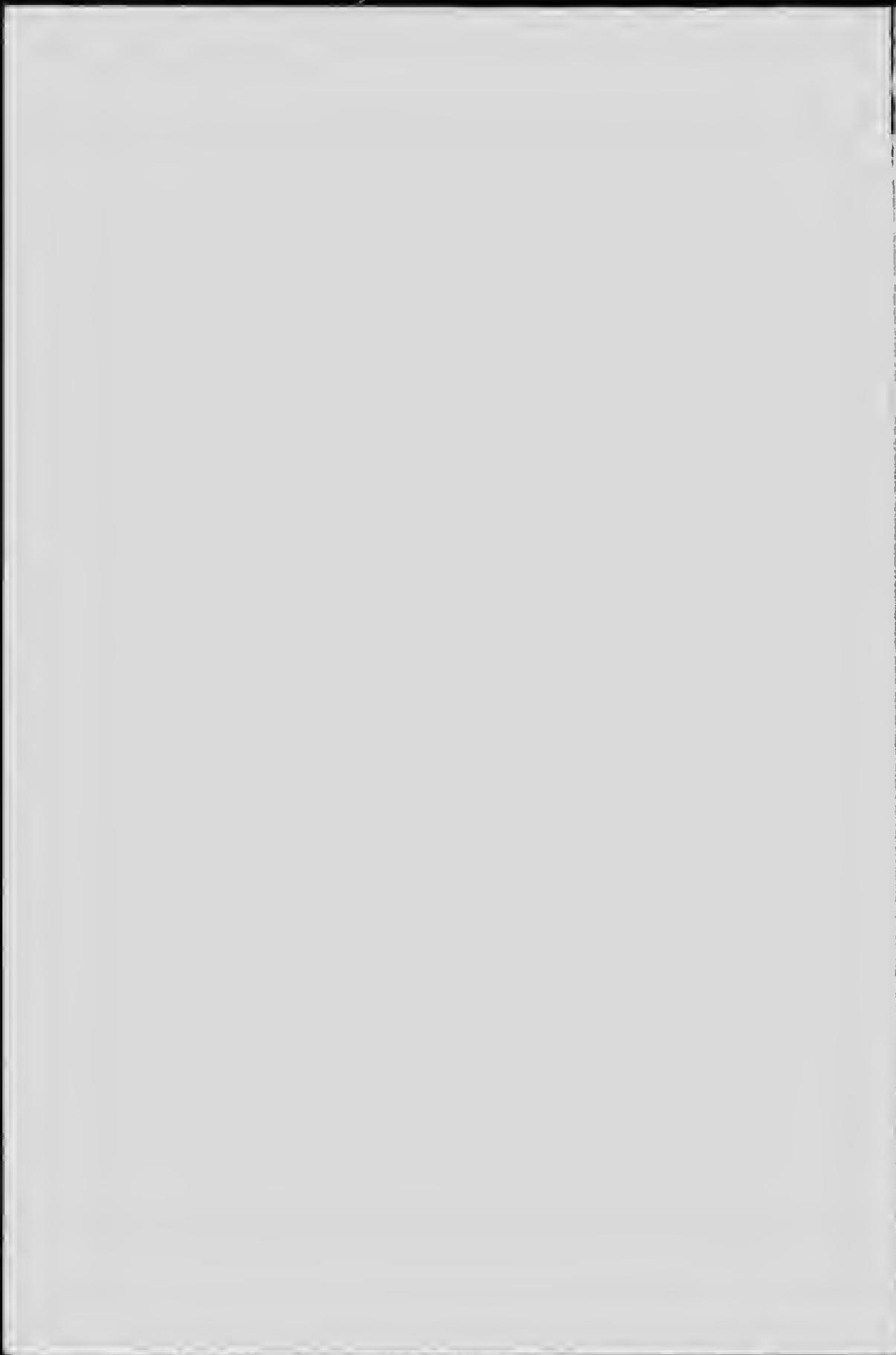
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SPEECH

DELIVERED BY

The Hon. Sir Wm. Mulock

AT TORONTO

ON

Tuesday, the 4th November, 1902



SIR WILLIAM MULOCK

Postmaster General and Minister of Labour



SPEECH

DELIVERED BY

The Hon. Sir William Mulock

AT TORONTO

ON

TUESDAY, THE 4TH NOVEMBER, 1902

The Opposition's Criticisms.

Mr. Chairman and Gentlemen,—I have to thank the Mulock Club for the honor of being invited to address this meeting, and also for their magnificent reception tendered me a year ago on my return from Australia, and to assure you how much I appreciate their action. It is now only six years since the people in their wisdom changed their Government at Ottawa, though, judging from the lamentations of our opponents, it must seem to them more nearly sixty. (Laughter.)

During these six years, beginning with the red letter day to Canada when Sir Wilfrid Laurier took command—(cheers)—until to-day, our opponents have denounced us as a Cabinet of incapables and worse, alluding to us as "The Tarte-Laurier outfit,"—they will have to give it another name instead of that now—(laughter)—"The Ottawa Aggregation," and in other language that, judging from election verdicts, does not appear to have commended itself to those reasonable and fair-minded electors who, in their criticism of public men, prefer argument to abuse. (Hear, hear).

For six years times have gone badly with our opponents. They might have wisely used their six years in Opposition as a period of repentance for those mistakes which led to their downfall, and in qualifying themselves for the responsibility of office. Instead of having done so, what is their record?

A Bourbon Record.

Like the Bourbons, they appear to have learned nothing, to have forgotten nothing. In office they appealed to racial and religious passions, and were condemned for it. In Opposition for six years they have practised the like tactics, as if it were a political offence for a First Minister to be of French extraction and a Catholic. In office, by their unwise fiscal

policy, they paralyzed the trade of the country, drove hundreds of thousands of our own people away from their own land, depreciated the value of farm and other property, reduced the demand for labor and the wages of the workman and created a feeling of despondency throughout the country. In Opposition they have opposed the remedies which we have applied with some measure of success to the unfortunate evils with which they have afflicted the country, and even to-day in their blindness they still threaten, if given an opportunity, to undo our work and relegate Canada to the position into which they had succeeded in plunging her when we were summoned by the people to her rescue. (Applause.) Mr. Chairman judging from your applause it is clear that you endorse my statement that the day when Sir Wilfrid Laurier took command was Canada's brightest red-letter day. (Cheers.) No wonder our opponents are out of touch with the electors, who prefer peace and prosperity to discord and depression. No wonder that things have gone badly with them for the last six years, are now going from bad to worse, and that it looks as if after our next general engagement with them three years hence the Tory Opposition at Ottawa will be as extinct as the dodo—(laughter)—and for the same excellent and sufficient reason, that in these modern and progressive times, which furnish so many examples of the doctrine of survival of the fittest, no useful purpose seems likely to be served by their further existence. (Laughter.)

A Progressive Government.

As for the record of the Government, it is made up of records of the various departments. With your permission, I will for a few moments deal with the two departments under my charge—the Postoffice Department and the Department of Labor. (Applause.)

As to the Postoffice Department, you will agree with me, I think, that it is the duty of the State to be *liberal and progressive* in extending postal services amongst the people. This is the view that as Postmaster-General I have ever endeavored to live up to, with what success you may judge from the figures which I now propose to give you, showing the state of the services for the fiscal year ended June 30th, 1896, being the last year of the late Administration, and also for the fiscal year closing June 30th, 1902. Our predecessors maintained no services in the Yukon and Athabasca districts, and for the sake of a true comparison between the administration of the department by the late Government and the present one, all postal matters connected with the Yukon and Athabasca are left out of consideration in the figures and observations which I am about to submit to you.

Growth of Postal Service.

Comparing, then, the administration of the department in 1896 and 1902, there has been the following extension in the service:—An increase of 844 in the number of postoffices—(cheers)—an increase of 4,461,109 miles in the mileage that the mails have been carried—(cheers)—or a percentage increase of $14\frac{3}{4}$ per cent.; an increase of 260 in the number of post-

office savings banks, or a percentage of 34½ per cent — (cheers) ; an increase of 751 in the number of money order offices, or a percentage increase of 57¼ per cent—(cheers) ; and the establishment of the postal note system, and the opening of 4,936 postal note offices as against none under our predecessors' administration. (Cheers) That these increased facilities, accompanied by reduced letter rates and general prosperity, have been in the public interest, enabling the people to make a more liberal use of the postoffice, is also abundantly clear from a comparison of the transactions of 1896 and 1902. Such a comparison shows the following growth :—

An increase of 115,250,947 in the number of letters and other mailable articles carried by mail, being an increase of 68 per cent — (applause) ; an increase of 83,005 in the number of savings bank transactions, being an increase of over 34 per cent. — (cheers) ; an increase of 36,319 in the number of savings bank accounts, being an increase of over 28 per cent. ; an increase of 286,342 in the number of money orders issued, being an increase of over 25 per cent. ; an increase of \$8,802,906 in the value of the money orders issued, being an increase of 67 per cent — (cheers) ; the issue of 1,012,026 postal notes of the value of \$1,702,296 in 1902, as against none in 1896—(cheers)—and adding together the money order and postal note business of 1902, we find the total sum to be \$23,587,065, being an increase of \$13,081,861 over remittances of 1896, or a percentage increase of 80 per cent. (Cheers)

Previous Maladministration.

Gentlemen, *these increases speak for themselves*, and are respectfully submitted for the careful consideration of those gentlemen who, for the last six years, have described us as an "aggregation of incapables." But perhaps you may desire to know at what cost to the country have these results been achieved. Permit me, then, to inform you. As you are aware, the revenue of the Postoffice Department *has heretofore always failed* to meet the expenditure, and each year the deficiency has to be made up by a vote of Parliament out of the moneys collected from the people. During the last few years of the late Administration the annual shortage increased until it had reached over three-quarters of a million dollars a year, the deficiency for the last year of their administration, the fatal year of 1896, amounting to *no less a sum than \$781,152.19*; in other words, the financial result of their management of the Postoffice Department was that after expending in its maintenance every single dollar of revenue, there remained *debts unpaid amounting to \$781,152.19*, which Parliament had to provide by voting the amount out of the general taxes of the people. During this time it may be remembered also that *they* collected from the people five cents per half ounce on letters to the old country, and three cents on letters within Canada and to the United States, rates reduced by the present Government to two cents. Time and again the late Administration had been urged to reduce our domestic letter rate to two cents, but they invariably refused most emphatically, prophesying disastrous results should such a mistake be made.

Falso Prophets.

They were ever strong in prophecy. You will remember how often they declared that the accession of the Liberal party to office meant *financial disaster to this country*; that when we introduced our tariff reform measure in 1897 Sir Charles Tupper declared on the floor of the House that it meant the *closing of our mills* and the ruin of our industries, and that all of his followers in the House cheered the prophecy to the echo, and repeated it for months, only ceasing their doleful prophecies when our industries not only refused to be ruined, but became prosperous as they had never been before. And so, sir, in regard to the reduction in the postage to two cents. They indulged in unqualified prophecies, which, in view of figures that I will give you, are to-day interesting reading. Here are a couple of their *oracular utterances*. In 1893 the Postmaster-General, dealing with the proposal for a reduction of the domestic letter rate to two cents, incorporated in his annual report to Parliament the following words:—

“ Whilst the department is thus being assailed on one hand by those who consider that its revenue and expenditure should be more nearly equalized, it is at the same time being urged to reduce to two cents an ounce the postage on letters, the inevitable result of which would be so large a reduction in the revenue, and as a necessary consequence so vast a discrepancy between the revenue and the expenditure, as to materially cripple the operations of the department for years to come. That this is no mere hasty assertion, unsupported by facts, may at once be demonstrated. The lowest estimate of the effect of a reduction to two cents in the rate of postage is a loss of revenue of at least \$750,000, which, even if postage on newspapers were reimposed, by which an additional revenue of \$100,000 would be obtained, would still leave a deficiency of \$650,000, which, added to the present amount, would make \$1,250,000 a year to be provided by Parliament over and above the revenue, and what Postmaster-General could be expected in the face of such a deficiency to entertain propositions for additional expenditures to improve the service, however necessary they might appear?”

Well, I am the guilty Postmaster-General who has been bold enough. (Applause.)

Mr. Foster's Last Apology.

Later on, namely in 1896, the Hon. George R. Foster, then Minister of Finance, in his budget speech in Parliament, the last one he delivered in Parliament, and the last one he is ever likely to deliver—(laughter)—stated as follows:—

“ In the postoffice we have an increased estimate of \$240,780, which is a large increase. The demands for the opening up of new lines, and for greater frequency and greater thoroughness in the delivery and despatch of mails, are continually pressing upon the Postoffice Department, and a large expenditure has necessarily to be made if we are to keep at all even with the requirements of the times, which we are bound to do. There is now a de-

"deficit of somewhere near \$800,000 between the total receipts and total expenditures of our Postoffice service; and this, I fear, makes the time somewhat distant when what otherwise might be fairly asked for can be granted—that is, a reduction upon the rates of postage in this country. Considering the large extent of country, the sparseness of the population, and the great expense necessarily imposed for carrying letters and papers in our Northwest and in other parts of the country, there is no doubt that the carriage of letters, newspapers, and parcels in this country is cheaper for the population than you would probably find in any other country in the world."

The Latest Criticism.

When in 1898 I applied to Parliament for authority to reduce the postage, I pointed out that the immediate result would be a loss of revenue, but that the reduction would lead to an increased use of the postoffice, and that in about three years the department would have fully recovered its lost revenue. The soundness of this view was challenged by our opponents on the floor of the House, as it had been previously, but *we had no faith in their views*, and at the commencement of 1899 reduced the English rate from *five to two cents*, and the domestic rate in Canada and the rate from Canada to the United States to two cents. These reductions, unless accompanied by an enlarged business, would doubtless have involved a loss of revenue of about *one million dollars a year*, which, added to the annual shortage of about eight hundred thousand dollars, would have resulted in a shortage of about *eighteen hundred thousand dollars a year*.

A few weeks after these reductions went into operation we had a by-election in West Huron, and Sir Charles Tupper and one of his speakers addressing the electors assailed me for these reductions, declaring that whilst they would benefit the manufacturers, bankers and rich people generally, they meant an addition of a *million of dollars a year to the deficit* of the department, which would have to be paid by the farmers, the workingmen and the poor people of the country. During the last three years, and up to this moment, that contention has been very continuously advanced by our opponents.

Sir William's Reply.

For three years it was to them a powerful campaign argument against us. I have waited patiently these three years to make my reply, and I now propose to make it, and perhaps when I do so you will think me warranted in also indulging in a little prophesying; at least I will risk it, and say that never again after to-night will our opponents criticize our actions in the reduction of postage to the people, or even allude to it. (Cheers.) *My answer to their years of attack* is that, notwithstanding our having cheapened the rates of postage to the people, that instead of having to apply to Parliament, as was necessary in 1896 for a vote of \$781,000 out of the taxes of the people, wherewith to pay the deficiency of the department of that year, we have for the fiscal year just closed, not a deficit of a dollar, but for *the first time in the history of the country a surplus*—not a large one, but still

a surplus of over \$5,000. (Great cheering.) In view of this result perhaps you will think me justified, then, in prophesying that to-night ends the attacks of our opponents upon us for having cheapened the rates of postage to every citizen in Canada. (Loud cheers.)

Department of Labor.

Let me now refer to another most important branch of the public service, namely, the Department of Labor, (Applause.) Few recent events have better served to illustrate the connection between capital and labor on the one hand and national well-being on the other than the recent dispute between the mine-owners and their workmen in the anthracite coal-fields of Pennsylvania, and which is at the present time the subject of adjudication by a commission appointed by the President of the United States. Great as has been the loss occasioned not only to the parties immediately concerned but to the public generally of this country as well as in the United States, this great industrial conflict may not have been without its compensations if it has served to throw into bolder relief the national as well as social significance of some of the phases of the labor problem. (Hear hear.) Of these phases two at least can hardly have escaped the notice of even the most indifferent observer.

Lessons From the Coal Striks.

In the first place, it has shown the importance to the general public, as well as to the parties more directly concerned, of the preservation of harmonious relations between employers and employees, and, in the second place, no less clearly the need of some effective means of maintaining these relations. (Hear, hear.) When the United States Workers' Union on the 15th May last declared a general strike of the workers in the coalfields of Pennsylvania few people other than those financially interested in the operation of the mines gave much thought to the significance of the step which had been taken. Such a thought as that *every person, rich or poor alike*, whether engaged in industrial, professional or other pursuits, or in no pursuits at all, should be affected, not only in a social but also in a financial way, was one too remote for contemplation. Yet, as a matter of fact, it has not been the possibility of such a situation but rather its actual realization which has brought this strike so prominently to the attention of all classes. (Hear, hear.) At first this realization was but faintly appreciated. Local dealers had still on hand supplies of coal with which the needs of their customers, for the time being at least, could be supplied. Our long and charming summer made us indifferent to the remote possibility of winter being at hand and the strike still unsettled. To few of us, indeed, did it occur that our comfort or happiness in any way depended upon the relations of the owners of the Pennsylvania coalfields and their employees. It was only when coal merchants were no longer able to meet the demands of their customers, when industries were threatened with enforced cessation of work, and the progress of the autumn reminded all of the rapid approach of winter, that the public became aroused in defence of itself and demanded the adoption of a practical plan for the restoration of industrial peace.

Need of an Arbitration Board.

Then, five months after the strike had been declared, a board of arbitration was constituted by the President of the United States, and accepted by both parties as a tribunal for enquiring into and settling the matters in difference. Why, it may be asked, could this step not have been taken at the outset? (Hear, hear.) Why a reference to a board of arbitrators after the expiration of nearly half a year, and not before? (Hear, hear.) Why no public voice or *appeal to public opinion* before rather than after the strike? (Hear, hear.) It is, perhaps, impossible to say whether the existence of a properly constituted board of arbitration, to which either party might have appealed before the strike, would have afforded means of finally settling all questions in dispute; but one is warranted, I think, in believing that an investigation and award by a properly constituted board would have solved the difficulties and prevented the strike. If so, then the absence of the necessary machinery for the constitution of such an industrial court clothed with the necessary powers was responsible for the strike. (Hear, hear.)

Canada Leads the Way.

We, in Canada, have advanced beyond this point. (Cheers) As you are aware, the act constituting the Department of Labor, which was assented to in July, 1900, was an act framed specially for the prevention and settlement of trade disputes. Since its establishment in the two years just elapsed the Department of Labor has been called upon on *eighteen different occasions* to lend its good offices to aid in the prevention and settlement of industrial disputes, and in no case where a settlement has been brought about by the department has the trouble broken out again. (Applause) Two cases very much in point come to my mind at this time, as illustrating what has been done by the Department of Labor in this connection. In the spring of last year the department received intimation from the miners in some of the bituminous mines at Cape Breton that a strike would be declared unless some immediate settlement of their differences could be had with their employers. The department was *asked to lend its friendly offices* under the act to bring about a settlement and prevent a strike. The department at once communicated with the manager of the company concerned, and, after a little correspondence, an arrangement was effected whereby both parties agreed to meet a representative of the Government and discuss with him the differences at issue, with a view to their adjustment. Conferences were held at the mines and at the offices of the company, at which both parties and the Government were represented. All the claims were discussed and adjudicated, and *an agreement satisfactory to both parties* drawn up and signed. Not only did this agreement have reference to subjects of dispute immediately under consideration, but it made provision for the constitution of boards of conciliation and arbitration, whereby future disputes might be adjusted between the parties themselves, and the possibility of strikes or lockouts in future thereby averted. At the time of this settlement not a day's work had been sacrificed, and since the settlement the harmonious relations established between the company and

its employees have remained unbroken. (Applause.) The dispute to which I have referred was in the mines of the Nova Scotia Steel Company, which extend for some distance under the waters of the Atlantic Ocean.

Effective Work Already Done.

The other case which I have in mind was on an island of the Pacific, where a strike had been declared at the Alexandra Mines, at South Wellington, on Vancouver Island. Here a dispute involving at the outset 260 employees *was settled within a few hours* after appeal had been made for intervention under the "Conciliation Act." A representative of the department happening to be in British Columbia at the time, the delay which, on account of distance, would have otherwise been inevitable was avoided. But for this settlement a sympathetic strike involving several of the other mines on the island would probably have taken place in the course of a few days. (Hear, hear.) These cases are especially noteworthy at this time, as they both have to do with the relations between the owners of coal mines and their employees. Being in the centre of the two most important coal-mining areas of the Dominion, they afford many interesting opportunities of comparison with the strike of the anthracite mine workers in the United States.

Other Cases Settled.

They are, however, by no means the most important of the settlements which have been effected under the Conciliation Act. It was only in the spring of the present year that business was entirely suspended in the harbor of Halifax in consequence of the *strike of over 1000 longshoremen* and other dock laborers in that city. Business in many quarters of the city was completely paralyzed in consequence of the strike, and not only in Halifax itself but in other parts of the Dominion had its baneful effects begun to make themselves felt. Through the machinery provided by the department and its intervention a settlement of this—the largest strike in Canada during the present year—was, as you know, speedily brought about. (Cheers.) It would be a pleasure and instructive also to state other instances of successful intervention under the act, but these are sufficient for my purpose to-night. I want you to see that the present Government did not require an example such as that with which the American nation has just been confronted to disclose to it the importance of taking into account, in the consideration of any general policy of national well-being, the all-important question of *the relations between labor and capital*, and the importance, in the interests of industrial peace, of providing machinery whereby these relations might be maintained in a friendly and harmonious way. (Hear, hear and applause.)

Compulsory Arbitration.

It was with the belief that the Government had acted wisely in placing on the statute books of the Dominion an act which would aid in the prevention and settlement of industrial disputes that I, at the last session of Parliament, was impelled to introduce a measure having the same ends in

view, but which, in case of necessity demanding it, would permit of the taking of a step further in advance than what was permissible under the present act. (Hear hear.) At the time that the Conciliation Act was passed there was some criticism of the measure on the ground that any action under it must be purely voluntary. It was argued that in certain cases this was not likely to prove effective enough, and that there should be some element of compulsion. It was this element of compulsion which constituted the new feature of the bill for the settlement of railway labor disputes which I introduced into the House last session. It appeared to the Government that the interest of the public in *the uninterrupted operation of public railways* is of a nature which does not warrant the railways to fail in their duty as common carriers to the public because of any dispute with their employees, and that if the immediate parties to such dispute are unable to settle their difference the public have a right to intervene and provide the proper machinery for the settlement of such differences without the railways in the meantime ceasing operations and failing in their duty to the public. (Cheers.)

Criticism Answered.

In this country compulsory arbitration in any form was a new departure. On introducing the measure I stated that there was no intention of pressing it to a conclusion at that session, but that the Government's desire was rather to outline the plan to be given to the public for its consideration in the hope that before next session we would be favored with such criticism and suggestions as would enable us to formulate a measure carrying with it *the endorsement of public opinion*. Some criticisms have been received, the bulk of them being apparently against the measure in its entirety, and unaccompanied with suggestions favoring any system of arbitration. In view of the often declared willingness of parties to labor disputes to have their differences adjusted by arbitration, it is, I think, no doubt from oversight that they have not as yet favored the Government with suggestions looking to a measure having for its object the establishment of a system of arbitration, and I refer to the matter now in the hope that the subject may receive that public attention which its importance demands. (Hear, hear.)

Public Sanction Required.

In view of the anthracite coal strike I hardly think one would be chargeable with rashness in expressing the opinion that there should be in Canada a tribunal having power to investigate industrial disputes, at least in cases of such far reaching importance as railway disputes, and disputes connected with industries of a monopolistic character, which may control the actual necessities of life. (Hear, hear and applause). Whether such a measure should go so far as to make the award legally binding on the parties is another matter. It seems essential to the success of any such measure that it should have *the moral support of public opinion*—(hear, hear)—and therefore perhaps it would be better to rest its compulsory character upon that force rather than legal coercion. (Hear, hear.) These, however,

are views in regard to a perplexing and complex question, which I present with much hesitation to you, and pass from the subject to the hope that they may before the next session of Parliament be the object of public attention and criticism, that we may be enabled if possible to make some progress towards the prevention of industrial war by rendering that violent procedure unnecessary in order to secure a fair measure of justice between all classes of employers and employees throughout the country. (Cheers.)

Benefits of Present Tariff.

Perhaps now you would bear with me while I make a few remarks upon trade and other matters. No doubt it would be interesting were I in a position to announce the views of the Finance Minister—(hear, hear)—or even my own, upon the ever-present question of tariff changes; but as no Minister, not excepting the Finance Minister, is, under our system of government, at liberty to make any such announcements except on the proper occasion, namely, in connection with the budget speech in Parliament, I shall not trespass upon forbidden ground, but confine my remarks to existing conditions. (Laughter and applause.) The present tariff has been in force for five years. From its introduction in 1897 until the present moment our *political opponents have condemned it*, although whenever reminded of the prosperity which it has brought to Canada they, with strange reasoning, declare it identical with their old National Policy, and fall down and worship it, and then rise up and abuse it. (Laughter and applause.) For eighteen long years their National Policy had control of the trade of this country. The longer it was in force the worse became our condition—(hear, hear)—and never in her history did Canada endure so serious a depression as in the last ten years of the N. P. (Hear, hear.) During that period the tariff was a political issue evoking the strongest passions, which seriously affected trade itself. Finally the high protection party was defeated, and in obedience to the mandate of the people we overthrew the N. P. in 1897, substituting therefor a *moderate tariff with a preference*, ultimately of one-third off the duties, in favor of the mother country. (Cheers.) That tariff our opponents assail.

The Attacks on the Preference.

In framing that tariff it appeared to the Government that a preference to Great Britain would not only be to the advantage of Canada, but of the mother country as well. (Hear, hear.) Here was our country, of vast, illimitable yet undeveloped resources, practically without a neighbor in America willing to trade with her on fair terms, whilst across the ocean was our mother country, that had ever been *Canada's true friend*, and whose market was open to us. True, we were selling to her comparatively little, for Canada's resources were little known in the old land. Still it appeared to us that our trade with her was capable of great development if we proceeded the right way about it. (Hear, hear.) Aye, more, there was the opportunity of setting an example which, if followed, might yet secure to us on preferential terms the markets not only of Great Britain herself, but

also of her world-wide possessions. (Applause.) Surely, sir, when every foreign nation was and is hedging itself round with a tariff wall in order to shut out the produce of all other countries, our manifest duty was and is to lay foundations for developing our trade in the only profitable market likely to be accessible to us—the *great British world-empire* of four hundred millions to which we are so proud to belong. (Cheers.) In this spirit, Mr. Chairman, we inaugurated a policy of that nature in 1897, when we placed our British preference on the statute book of Canada. (Hear, hear.) Our opponents say we should have dickered for value in return. (Oh! oh!) It is true we did not dicker for value in return. When did Great Britain ever dicker with us about getting value in return, when on many occasions she was prepared to pour out her money and her men in defence of the sacred soil of Canada? (Hear, hear.) No, Mr. Chairman, we adopted another and higher course, treating Great Britain not as an alien country, but as our mother country—(cheers)—and with that liberality which she has ever shown us, conscious that ingratitude is not one of her faults, and with some hope that, as changing conditions admitted of it, our example might by degrees be followed by Great Britain herself, and by other portions of the empire, until at last each portion might enjoy throughout the whole empire trade advantages not shared in by foreign nations. (Loud cheers.)

A Preference for Canada.

How has Great Britain already treated us since we granted her this preference? Till then our produce was little known or appreciated in her markets, and much was sold under the name "American." Now it no longer enters that market under an alias, but under its true name "Canadian." (Hear, hear.) That name is now popular, respected and beloved in England, and sells our produce and wins for it a preference, thus increasing the demand for Canadian products. (Cheers.) In consequence, since the establishment of the preference five years ago our farmers have sold more and more of their products in the British markets, the total value having increased from about \$47,000,000 in 1896-7, to over \$80,000,000 in 1901-2. Nor have our manufacturers been less favored, for in the same period their sales to Great Britain have increased over 100 per cent. (Applause.)

Growth of Imperial Sentiment.

Sir, these results are not accidents, but the direct result of our British preference, which our opponents wish to repeal. With such magnificent results as these within the short space of five years, what may we not reasonably expect as the years roll by? Nor does it seem an idle dream to hope that *our example may be followed* by the rest of the empire. Already the heaven appears to be working, for, as you are aware, a resolution was unanimously adopted by Australia, New Zealand, Cape Colony and Natal, at the Imperial Conference held in London three months ago, favoring an inter-Imperial tariff preference, and suggesting action in that direction by the mother country.

Tory Opposition to This Spirit.

At this stage, when the seed is still germinating, our opponents declare their hostility to our British preference, and without considering whether there is any good in the principle of British preference, either as we have framed it or in some modified form, without waiting to see whether our example may not be followed by other parts of the empire, without allowing the principle of inter-imperial trade advantages to develop until it shall become a reality and a powerful bond of union within the empire, without giving the mother country an opportunity of discussing repeal, and without even consulting her, but prejudging all possible arguments that could be advanced against their proposed course, our opponents declare it as their fixed resolve, if possible, to compel its repeal. Fancy such a policy from the leaders of the party that once claimed a monopoly of the loyalty and British sentiment in Canada (Laughter and cheers.) How soon have they forgotten the teaching of their great leader, Sir John Macdonald, and departed from his ways. (Hear, hear.) In taking such a course they practically expel from their ranks those Conservatives of the John A. Macdonald school who loyally recognize Canada's duty towards the mother country and the empire. *Trade and the flag are inseparable*, and the political party which, in the consideration of trade, turns its back upon the flag is unworthy of the confidence of the loyal citizens of our country. (Hear, hear.)

A voice—That is hard on the Tory party!

Sir Wm. Mulock—I must tell the truth. (Laughter and applause.)

Liberals' Forward Policy.

The Liberal party is seeking to build up Canada in political as well as commercial alliance with the rest of the empire, to that end establishing, as fast as circumstances admit, steamship lines with South Africa, Australasia and the mother country, promoting with them trade and interchange of sentiment by improved mail and cable services, rejoicing at the completion of the Pacific cable—the thir, all-red line now connecting together three great self-governing colonies—(cheers)—encouraging harmonious relations between our various classes, creeds and races, and securing a just and equitable distribution amongst the people of the blessings and burdens of legislation. (Cheers.) The fruits of such aims and method must be a *contented, prosperous and patriotic people*, an essential foundation to national greatness. (Cheers.) The Liberal party is endeavoring, with some success, we hope, to lay such a foundation, and guided by such a policy and uninfluenced by the puny criticism or feeble resistance of an unpatriotic Opposition, will continue on its course true to the belief that under wise counsels it is Canada's destiny to so increase in wealth, in population, in strength, as to rival, perhaps surpass, in greatness many a first-class power of to-day, and to be the home of tens of millions of happy, prosperous people. (Loud and prolonged cheering.)

