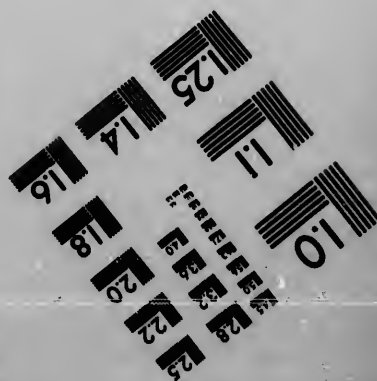
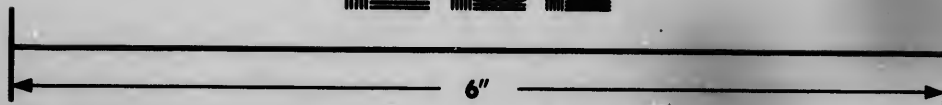
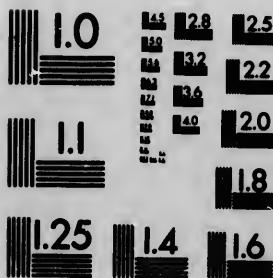


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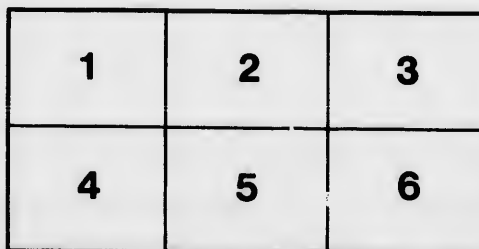
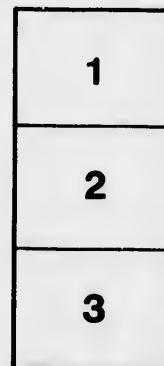
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**SPEECH**  
OF THE  
**HON. MR. MACDONALD (MIDLAND)**  
ON THE  
**IMPORTS AND EXPORTS**  
OF THE DOMINION

*Delivered in the Senate, 7th March, 1889*

**HON. MR. MACDONALD (Midland)**  
rose

To call the attention of the House to the present condition of the trade of the country, import and export, in view of and in connection with the proposal of the Government to open up extended commercial relations between Australia, South America and the West Indies;

And enquire when the Government propose to introduce any measure in relation to the same?

He said: To a large gathering assembled last December in the Exchange Rooms, Georgetown, Demarara, composed of the leading merchants, bankers, planters and attorneys of estates and others who were good enough to afford me an opportunity of addressing them in, as I was careful to state to them, an unauthorized way, as to the desirability of extending commercial relations between their country and Canada, I promised:

1st. That immediately on my return I would bring the subject before the Toronto Board of Trade for its consideration and action.

2nd. That upon the assembling of Parliament I would, in my place in the Senate, call its attention to the subject, also, by bringing a notice upon the Paper for the purpose of having it discussed, and

3rd. That I should do everything in my power, by my tongue and pen, to make the colony better known in the Dominion than it had been heretofore.

I made these promises thinking possibly that the Government might be influenced to move in that direction, but without having the slightest idea that its policy during the present Session was to take that shape. The first of these promises I lost no time in fulfilling, by the delivery of an address before the Toronto Board of Trade, and notwithstanding the announcement of the Government as to its purpose in relation to that trade, I see no good cause why I should delay carrying out my promise in relation to the Senate. Indeed, I think it all the more fitting that what I have to say should be said before the Government brings down the particulars of its plan. I may add that it is now on record as the expression of opinion of that influential gathering in Demarara that "they (its members) warmly desired closer relations with the Dominion of Canada."

This resolution they were good enough to pass at the close of my address, and I cannot, therefore, but express my gratification that the trade openings which, to my mind, British Guiana and these islands present, which so invitingly await us, which have been so long neglected and so unwisely overlooked, are now in the present Session to have the attention of the Government, with a view of turning them for both countries to the best possible account.

I was not, I must say, prepared for the amount of interest which these humble

efforts, as far as they have gone, appear to have awakened, but if I am to judge by the number of letters which I have received, by those letters of introduction which I have written, by the people who have made enquiries, by those who have already gone, and by those who are going to the Islands and to British Guiana, I have been led to ask myself if these be the results which came from the observations of a private individual, travelling for his own pleasure, and bringing these under the notice of the Board of Trade, what must be, what may be, the result when the concentrated power of the Government is brought to bear upon an opening so full of interest to the people of this country?

The Government ask the House for its assent in providing subsidies for the improvement of the Atlantic Mail Service and for the establishment, in concert with Her Majesty's Government, of a line of fast steamers between British Columbia and China and Japan, and also ask it to consider the best mode of developing our trade and securing direct communication by steam with Australasia, the West Indies and South America.

I shall ask your attention only to that portion of the Government's policy which relates to Australia, South America and the West India Islands.

I may be allowed, just at this point, to say that one pressing need of our country is that of population.

It is, of course, self-evident that if our population were double what it now is that the proportion of our debt *per capita* would be just one half of what it is.

That our national works, in the construction of which our debt has been largely increased, would be turned to account in an immensely increased measure.

That our manufactures, many of which are worse than idle, would have enlarged room for their productions, and that our farming community would have a greatly enlarged market for their products.

This is not the time to discuss this subject, although I may say that I believe that additions of immigrants vastly in excess of any who have yet settled among us could be induced to add to the wealth and the importance of the Dominion by becoming owners in fee simple of the countless homes which await the settler.

But our policy is, under any circum-

stances and at all times, that of the largest possible commercial intercourse with the largest possible number of friendly states or nations.

To consider, then, the proposal of the Government, look first at the colony most remote from us—Australia.

It may be that there are advantages greater than any that I have been able to perceive which would accrue to the Dominion by attracting the trade of the Australians by the Canadian Pacific to the old world, and hence that may be a reason for desiring rapid steam communication with that colony. Whether or not that would justify any large expenditure, or even a moderate expenditure in that direction, I leave it with others to determine; but for all purposes of trade between the two countries on anything like an extensive scale, a moment's reflection will, I think, convince anyone that such an expectation is not likely to be realized.

In fact, the cause which led to the tardiness of the discovery of Australia, that of its remoteness from the other portions of the globe, must necessarily act as a bar to extended commercial relations between the Australias and Canada.

Nature has been most profuse in the bestowment of her gifts to that country; and, as though it were in view of her being so far removed from the family of nations, has endowed her so richly that she has within herself everything that a nation requires to make it great, prosperous and independent.

The superabundance of her gold has helped to change the value of commodities throughout the civilized world.

Her coal and iron make her independent, so far as manufacturing is concerned, of any nation on earth. Her climate is so suited for wool-growing that if but the tenth part of her three million of square miles were peopled, and a reasonable proportion devoted to sheep-raising, she could grow wool enough to supply the wants of the world; while the wheat fields of Southern Australia are sufficient to give food to the continent.

Indeed, it may be affirmed that wants nothing. Her manufactures, some departments, have reached a position far, far in advance of anything have attained in Canada. I refer especially to the manufacture of fine woollens, br

and narrow, and also to the finest rugs, wraps and blankets. In these goods by far the finest exhibit at the Collindaries, equalling in perfection of coloring and excellence of finish anything which could be produced in any part of the world, were those from the woollen mills of Dunedin, in New Zealand. Almost everything which we have to offer she possesses, so that she looks upon us as her rival in nearly all which constitutes her wealth.

But apart from the great distance which divides us, and the fact of how little she needs our manufactures, look at her population, and then see how far apart even these are scattered, and it will be apparent how unlikely it is for a paying trade, or indeed a large trade, to spring up between both countries.

I find her population to be as follows:—

New South Wales.....	957,985
New Zealand.....	578,482
Queensland.....	213,525
South Australia.....	313,423
Tasmania.....	133,791
Victoria.....	1,009,753
Western Australia.....	35,186
In all.....	3,254,145

HON. MR. MACDONALD (B.C.)—How recent are these figures?

HON. MR. MACDONALD (Midland)—These figures are taken from the Statesman's Year Book of 1887. I am not aware of any later statistics. It is quite true that our trade with her has grown from \$41,822, in 1873, to \$446,019, in 1888, or an increase in fifteen years of \$404,197, or of \$26,946 per annum; an increase so insignificant as but to confirm the statement made as to the natural difficulties which surround the carrying on of trade with those distant colonies.

Coarse and cheap goods sent by steamer would be entirely out of the question; they could not by any possibility stand the heavy freight rates by sea and land. Fine goods of their own manufacture they can supply us with, and as for British goods the Australian merchants stand deservedly high in the markets of the world as men of great wealth, great ability, great uprightness, every house of note having its English house in London, in the Australian quarter of that great city.

With British Columbia something might possibly be done to a limited extent in fish

and lumber, but for either Ontario, Quebec or the Maritime Provinces I see but little prospect of a trade which would be at all likely to grow at any time into large proportions.

I had reached these conclusions entirely from what I knew of the products of the Australia—from having seen them, and from the common sense aspect of the case, in taking into consideration the great distance which separates the two countries, as well as the scantiness of the population; and before coming in contact with any one who had attempted to open up trade between both countries, but having spoken with gentlemen who had made the attempt, their experience has wonderfully confirmed the impressions which I had formed, in cases, too, where the class of goods in which they dealt appeared of all others the most likely of finding a market, viz., furniture and agricultural implements.

In the case of furniture, then—the large and respectable concern, the Bowmanville Manufacturing Co.—at the invitation of the Government sent out a shipment to the Melbourne Exhibition. The freight was paid by the Government, the local charges defrayed by the Commissioners. So excellent was the work that first prizes were obtained. Under these circumstances the goods were sold and the sales realized cost price. Invited to send out regular consignments of goods to their market, the company expressed their readiness to do so on being advised as to the class of goods most suitable and most likely to secure speedy sale.

On the information being furnished the goods were sent. The prices realized were ruinous, and on receiving returns at the end of two years, or thereabouts, the company withdrew from the market. Mr. McArthur, the manager, expressed much interest in the facts which were brought to light in the Toronto Board of Trade address, in relation to South America, and expressed his readiness, on account of its greater nearness, to open up a trade with that market.

The other case is that of the Massey Manufacturing Co., a company which has rare facilities for furnishing agricultural implements, of which they are such large producers.

What has been their experience? The first venture of this large firm was the



consignment of a shipment to a Government agent. The Government agent put the shipment, with all the knowledge of the facts and of the parties, into the hands of local dealers, and the expenses and charges were so excessive as literally to eat the shipment up.

They then determined to send their own agent, who certainly found a market for their goods, but found also some twelve or fourteen American concerns competing for the trade, and this firm states in its application to the Government that they find themselves so handicapped in the excessive duty which many of the articles used in the manufacture of their goods have to pay that, in view of the great distance, the cost of postage, freight and other matters, unless these duties can be removed, or a rebate equivalent to such allowance made upon their exports, they will be compelled to withdraw from the trade.

To come to the Argentine Republic, let us see what advantages it offers and of what value its trade would be as compared with Australia:

1st. As to the relative distances of both countries from us, a most important factor in the consideration of this question. I take Buenos Ayres for example, and calculating very roughly upon the map I make the distance from Halifax or St. John 4,804 miles. I find the distance to Australia, on the other hand, to be as follows:

From Quebec to Vancouver.....	Miles.
Vancouver to Sydney.....	3,047
	7,434
	<hr/>
	10,481

or nearly 900 miles more than double the distance from Halifax to Buenos Ayres.

HON. MR. KAULBACH—You take the distance from Halifax to the Argentine Republic, and from Quebec to Australia. Why not take the distance from Vancouver to Australia?

HON. MR. MACDONALD (Midland)—It would not materially affect my argument. I have selected one of the nearest ports of any importance to us in Australia, that of Sydney, the distance to Melbourne, to Tasmania and Northern and Southern Islands of New Zealand being very much greater; Dunedin, like the others, being

more distant from us than Sydney. This, I claim, will always prove a serious obstacle to the carrying on of trade between Canada and the Australian Colonies; for while, as I have stated, no class of heavy goods could possibly stand the freight by steamer, the trip round the Cape by sailing vessels would occupy from 100 to 120 days, while no returns for sales could be had at a shorter period than from fifteen to eighteen months.

Then as to the population. As I have stated, the population of the Australian Colonies may be put down as 3,254,145, while that of the Argentine Republic is estimated at 4,500,000, with large additions being made by immigrants from year to year. Its population to-day, therefore, cannot be far from 50 per cent. greater than that of the Australian Colonies. Indeed, the additions to its population by immigration are phenomenal, a fact which brings with it words of warning to us in that direction, of which we would do well to take heed. We know but little of a country so full of interest, a country making such rapid headway, and a country, it appears to me, likely to bring to us results far more inviting in the way of trade than anything we are likely to get from Australia.

Honorable gentlemen will learn something of its resources by reading the report of Simeon Jones, which they have among their papers, and which will very well repay a perusal.

Some idea of the importance of the country may be gathered from the remarks of one who has recently given attention to the subject, and thus writes:

"There are about 40,000—between Irish, Scotch and English—settlers, with their families, in quiet and undisturbed possession of about 2,000,000 acres of land in the Province of Buenos Ayres alone, in the full enjoyment of all religious and social liberty. They own upwards of 35,000,000 sheep, besides horned cattle, horses and valuable buildings. The bulk of their vast property has been acquired by men who, on their arrival, did not possess a sixpence."

Is it any wonder, with such statements, that some 22,000 immigrants, chiefly Irish, should, in the short period of some five or six weeks, have found their way thither in quest of a new home?

HON. MR. MACDONALD (B.C.)—Do they offer free grants of lands there?

HON. MR. MACDONALD (Midland)—I have not looked into the details and cannot say, but there must be some great attraction in the country to bring so many people there in so short a time.

Then as to Brazil, that great country with its 4,000 miles of seaboard, with the 30,000 miles of navigation afforded within Brazilian territory by its great river the Amazon, with its 13,000,000 of people and its trade of £40,000,000 per annum, a country larger than China, larger than British India, nearly as large as the whole of Europe, larger than the United States, and smaller only than Russia and the Dominion of Canada, and having, as compared with Australia, the great advantage of being comparatively contiguous to us, the port nearest us being not more than 2,760 miles distant.

Uruguay, with its rapidly increasing population, possesses attractions also for us as offering a field for at least some of our manufactures and many of our natural products.

Venezuela, also, is a country whose trade we would do well to cultivate. Its population, which cannot fall short of 3,000,000 should invite our efforts. No better proof could be given of the great energy of the people than the fact that the foreign trade of the country has quadrupled within the last few years—this through the development of the country's vast agricultural and mineral resources. There is this great advantage, that its most northerly port is not more than 2,100 miles from either Halifax or St. John, or nearly six times nearer to us than the most remote of our Australian Colonies.

These, then, are the countries (apart from the West Indies, which I will notice subsequently) with which the Government propose opening up extended commercial relations.

But here the question will arise, while looking for new markets and for new customers: What has been the condition of our trade with our old customers: Has that been healthy? Is it healthy to-day? To look at this question intelligently we will have to compare our position to-day with the past, to look at our obligations and at our facilities. Perhaps we cannot, as to periods, do better than select those which extend from 1874 to 1888, a period covering fifteen years, a period long enough

to produce great development in the history of a country. Look, first, at our obligations then and now; second, at our facilities at both periods; and then as to the relation which these bear to the amount of trade done in each year:

First, then, as to our obligations: I find that our net debt in the year 1874 was \$108,324,965; in 1875, \$116,008,378; that the interest on the debt of 1875 at 4½% was \$5,710,965; that our debt in 1887 was \$227,314,775; that our debt in 1888 is \$234,532,358, and that the annual interest on the present debt, at 3½%, is \$8,891,300; or, in other words, I find the debt of 1888 to be \$118,522,980 larger than the net debt of 1875, and I find the annual payment on interest account, even with a reduction in the rate of 1½%, to be \$3,180,335 greater than it was then.

I do not think it fair to assume that because the obligations of a country are larger at one period than they were at another, and the amount of interest correspondingly great, that it is an indication that the country must necessarily be going to destruction. In the very nature of things the debt of every new country, up to a certain point, must increase, and without healthful expenditure development would be impossible.

It is only fair, then, to assume that for this great increase in our debt we have something to show—that something has been accomplished to further the material interests of the country, and results can be produced which would justify the expenditure; and looking, therefore, to see how this debt had been created, I find that it has been made up of the following items:

Debts allowed to Provinces.....	\$10,291,052
Expended on Dominion lands	2,858,777
"    "    eastern extensions on railways.....	1,286,551
Expended on Intercolonial Railway proper.....	12,208,924
On what is called miscellaneous expenditure, and which I find embraces canals, Esquimalt Graving Dock, Levi Graving Dock, Public Buildings, Ottawa, Port Arthur Harbor, Kaministiquia river.....	32,835,843
Rebellion losses paid out in the years 1886-7 and 1887-8 and charged to Capital with authority of Parliament.....	833,846
Canadian Pacific Railway.....	57,875,016
Total.....	\$118,190,009

In addition we have expenditure for

Prince Edward Island Railway...	\$218,088
Cape Breton Railway.....	763,952
Short Line Railway.....	209,356
Total.....	\$1,193,396

I find, then, that as compared with 1874 our obligations are to-day \$17,831,528—more than double what they then were. Now, of this enormous expenditure, assuming that every dollar has been well and wisely laid out, without, in fact, taking exception to any item, let us enquire in what relation do these works, as well as our obligations, stand to the trade of the country then and now? What does the merchant expect who enlarges his premises and doubles every existing agency in connection with his business? Why, this simply, that his trade would, in consequence, be immensely increased.

What is the expectation of the manufacturer who make great additions to his plant and perfects his building and machinery?

Why, that he will have a correspondingly increased production with a correspondingly increased income!

Is it unreasonable, therefore, that with the enormously increased facilities which these weighty figures imply that we should look for a correspondingly increased volume in the trade of the Dominion; that with the enormous expenditure on railroads, on canals, on graving docks, on harbors, on rivers, all important factors in the development of the trade of any country, that we should enquire, from a trade stand-point, what has been the result of all this outlay? Has it been to make the manufacturing power of the country felt at home? Has it been to make Canada a power in the markets of the world? Observe, I do not include the amounts allowed to Provinces or of the expenditure upon Dominion lands. My remarks apply only to the large outlay on rail and water courses for the purpose of perfecting our modes of communication, and in reference to this large expenditure I ask, what have we to show, so far as our trade is concerned, in the form of productive results? I grant we have the works, but to what extent and in what manner have they contributed to swell the business of the country?

If, for example, we take the total imports for the year 1874, we find those to have been \$128,213,582, while these for 1888 are \$110,894,630, or some \$18,000,000 less. I propose leaving to others the task of proving that the expenditure in wages in excess of the expenditure paid by manufacturers for the same purpose in the years 1874 and 1875, or either of them, will be equal to this deficiency. I will simply endeavor to find a cause for the falling off. It is to the exports chiefly that I wish to draw attention, not so much as to what we consume as to what we furnish, not so much as to what we buy as to what we sell, not so much as to what we put upon our backs or that with which we adorn our houses as to what we produce from our looms, what we send from our mines, our forest, our fisheries and our farms—what the result to the country is of the fostering policy of the Government to its manufactures. Surely we are entitled to look, after such an expenditure, for great results. What are they?

Our exports for the year 1888 were..... \$ 90,203,000  
And for 1874 they were..... 89,351,928  
Or a difference of.....\$ 851,072

I do not think that objection can be taken to my statement when I say that such results, under such circumstances, to use the very mildest phrase, are disappointing, such as should lead to searching enquiry, with a view of reaching the needed remedy. I find that we are doing with Britain to-day \$40,004,984, against \$45,003,882 in 1874. We are doing with:

Portugal in 1888	\$155,821	against	\$193,463	In 1874
Italy	55,090	"	190,211	"
Holland	378	"	14,905	"
Belgium	17,057	"	240,494	"
Newfoundland	1,523,829	"	1,569,079	"
West Indies	2,601,486	"	3,778,796	"

having actually done with these countries \$6,452,187 more in 1874 than in 1888; with the United States, France, Germany, Spain, South America, China and Japan, Australia, and what is tabulated under the head of other countries, we are doing more, the difference being \$7,403,059, or in other words, the increased trade with these countries has done little more than counter-balance the loss sustained in the others, the excess over the loss being under \$1,000,000 in fifteen years!

Indeed, had it not been for the gain

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with the United States, with which country we did, in 1888, a trade of \$6,327,754 more than we did 1874 (but strangely enough not more than a few thousand dollars in excess of our trade with the same country in 1873)—had it not, I say, been for this circumstance, our export trade for 1888 would have been between \$5,000,000 and \$6,000,000 less than it was in 1874. a state of things, I am persuaded, that every member of this House must regard as unsatisfactory. But to analyze still further: in table No. 2 of the Trade and Navigation Reports we find, under the head of "Aggregate trade of the Dominion, by countries, on the basis of goods entered for consumption and exported," the following figures, namely:

Amount so entered for 1874..	\$216,756,097
For 1888.....	193,050,100
or an excess for 1874 over 1888 of	\$23,705,997;
but inasmuch as the amount of imports proper for 1888 is put down as \$110,894,630 there must remain the sum of \$82,155,470 exported from the country to make up the sum of \$193,050,100.	

Here, then, we may suppose we may reasonably look for satisfactory figures, figures which will demonstrate how our manufacturers have furnished evidence of the advancement they have made under the policy they have enjoyed in the character and extent of their exports.

Let us see, then, of what items those exports are composed. We find them to be as follows:—

Produce of the mine.....	\$ 4,339,488
Fisheries.....	7,871,105
Forest.....	22,880,201
Animals and their produce.....	25,620,369
Agricultural products.....	20,875,435
Manufactures.....	4,616,923
Miscellaneous articles.....	897,503
Coin and bullion.....	17,534
Estimated amount spent at inland ports.....	3,084,322
	<u>\$90,203,000</u>

We have, then, as the result of our expenditure on railways, canals, rivers, harbors, the exhibit of a year's export trade of what is classed under the head of manufactures of \$4,616,953.

This, be it remembered, includes every imaginable kind of manufacturing enterprise in which we are engaged throughout the Dominion. In those are included: agricultural implements, books, candles,

carriages, clothing and wearing apparel, cordage and twine, cotton, furs, glass and glassware, grindstone, plaster (ground), hats, caps, India rubber, manufactures of steel and iron machinery, sewing machines, scrap iron, onkum, laths, boots and shoes, harness and saddlery, lime and cement, liquors, molasses, musical instruments, oil cake, oil, rags, ships sold to other countries, soap, starch, stone and marble, sugar, tobacco, wood barrels, household furniture, woollens—in all, \$4,616,953.

Our Trade and Navigation Report for 1888 gives us no comparative table of the exports under their respective headings for previous years; but I have been able to find that the exports for the year 1874, under the head of manufactures, were.....	\$2,921,802
Add to this ships built at Quebec.....	782,900
In all.....	<u>\$3,704,702</u>

I add this item, that of ships, because although entered as under a distinct head it is included, in 1888, under the head of manufactures.

I find under the same heading the exports for 1876 to be \$5,972,913—or, taking both years, an average of \$4,838,807—or, in other words, an average of \$221,854 greater per annum than our exports show under this head for 1888.

These tables unfold some curious results. They disclose, for example, the almost total distinction of the ship-building interest, ships being built at Quebec in 1874 to the value of \$782,900. Ships were sold to other countries, in the year 1876, to the amount of \$2,189,270, as against the sum of \$289,969, being the entire amount represented under the head of this most important industry for the year 1888. Again, the exports under the head of leather and manufactures of leather for 1876 are put down as amounting to \$1,105,981, while for 1888 the amount under the same head is put down at \$461,239, not one-half the amount of that exported in 1876.

I was not able to lay my hand upon the report for 1875 when compiling these figures, and cannot tell, therefore, whether it would make the comparison more favorable or not. The report for 1876, I take it, is near enough for my purpose. I don't think, then, that with our wonder-

fully increased facilities and our enormously increased obligations this view of our exports can be regarded as a satisfactory showing. But here I might be told that the policy of the Government is to foster and protect our home manufactures, and not to build up an export trade. If the policy of the Government is not to build up an export trade I think it ought to be, and it ought to be in the interest of the manufacturers that it should be so.

Indeed, there is no one class which would benefit more by an extended export trade than our manufacturers, and the most signal service the Government could render to them would be to make, as fast as a Government can make, the opening up new markets to them available.

Indeed, if the argument of protecting home industries means anything on the part of those who advocate the policy, it means the investing of the manufacturer with greater powers, of shielding him from competition, and thus enabling him to push his manufactures into markets beyond those of our own Dominion.

I have referred only to the gross amount of our imports, comparing both periods. It may be profitable for a moment or two to look at these more closely, as there may be lessons to be drawn from such a review which might otherwise be overlooked.

I have stated that the total imports for 1874 were \$128,213,582 and for 1888 \$110,894,630, a difference of about \$18,000,000. I have said, I would see whether we can ascertain where the loss has occurred, and if possible determine the cause. We find the most serious falling off has been with Great Britain, where the difference in trade in the one period as compared with the other amounts to \$28,699,937.

We are also doing less with Newfoundland and with the West Indies than we did fourteen years ago. Our trade with the United States, with France, with Spain, with Portugal, with Italy, with Belgium, has remained much the same as it was then, while it has increased with Germany, Holland, South America, China and Japan, Switzerland, and what is tabulated as other countries.

Let us now see if we can account for this falling off. We find that the amount of duty paid upon imports in 1874,

amounting to \$128,213,582, including free and dutiable goods, was \$14,421,882, and that the amount of duty paid in 1888 upon \$110,894,630 was \$22,209,641, or in other words, that upon goods representing in value about \$18,000,000 less we paid duty to the extent \$7,787,759 more; but this is not all, for we find of this \$110,894,630 there were free goods to the extent of \$33,201,276, and that the dutiable goods upon which \$22,187,869 has been collected amount only to the sum of \$69,645,824, and that upon this sum an average duty of 31 $\frac{1}{2}$  per cent., as near as I can make it, has been paid. This, it appears to me, ought to be a sufficient answer to the question, and ought, I think, to be convincing proof that whatever benefit the existing policy may have been to individuals it cannot be said to have been helpful to the export trade of the country.

It must be observed that with every country with which it is proposed to open up extended communication we have had a trade for years—with the West Indies, with South America, and more recently with Australia.

I have endeavored to show that our trade with Australia is not likely, by reason of its great distance and other causes, ever to develop into large proportions. In this I may be mistaken. I trust I am.

The West Indian Islands, contiguous to us, needing the very commodities which we have to offer, having many of the articles which we require for our own consumption, and containing a population equal to or rather larger than the Dominion of Canada, are markets in a very special manner worthy all the efforts which we can put forward to secure and retain their trade. What the possibilities are which are open to us there I endeavored to put before the Toronto Board of Trade, as the result of my own personal observation during a recent visit to several of the most important of those islands as well as to British Guiana.

Much that I there stated I am not now going to repeat, nor indeed is it necessary, as the Toronto Board of Trade sent copies of the address to the various Boards of Trade in the Dominion, as well as to the members of the Senate and the House of Commons; and whatever the information may be worth it is now in the hands of hon. gentlemen. Yet there are facts in

connection with this trade to which I must refer, and first that the United States do in these islands a vastly greater trade than we do—that that trade is done by them in the very class of commodities for which we are admirably equipped, in many articles, indeed, which they, in order to sell to those islands, buy from us; that they do, as compared with us, in several of the colonies a trade of from \$3.72 to \$7 to our \$1. For this great discrepancy there is no need, and by a wise and vigorous policy all this might be reversed. In British Guiana, for example, they do \$3.35 to our \$1.

In Barbadoes they do \$4 to our \$1, while in Trinidad their trade is seven times greater than ours, their trade in that colony being \$1,802,695, ours being but \$272,660. I must not weary the House by any extended reference to figures, although they are, to my own mind, as interesting as, upon their discovery, they were startling. I must, however, refer to figures relating to one of our own colonies—I mean Newfoundland—where the market, like that of the West Indian market, is served by the United States and ourselves, and where, in so many of the articles in which they beat us in the West Indies, we beat them in Newfoundland, the conditions in both cases being similar.

To satisfy myself on this point I went to the trouble of dissecting the entire imports to the island from both countries, and with the following result:—

To Newfoundland Canada sends:	
Sheep.....	5,485
United States sends.....	None
Apples—	
Canada.....	3,984 brls.
United States.....	1,634 "
Apples, Dried—	
Canada sends.....	895 lbs.
United States sends.....	11,460 "
Beef—	
Canada sends.....	1,146 brls.
United States sends.....	4,693 "
Biscuit—	
Canada sends.....	1,186 cwt.
United States sends.....	43 "
Books—	
Canada sends (value).....	\$3,277
United States sends (value).....	1,634
Butter—	
Canada sends.....	1,142 cwt.
United States sends.....	878 "
Canvas—	
Canada sends (value).....	\$16,924
United States sends.....	16
Cheese—	
Canada sends.....	903 cwt.
United States sends.....	23 "

Coffee—	
Canada sends.....	8,333 lbs.
United States sends.....	10,577 "
Cabbages—	
Canada sends.....	63,728
United States sends.....	14,042
Fancy Biscuits—	
Canada sends (value).....	\$2,341
United States sends.....	629

	Canada.	U. S.
Feathers (lbs.).....	46	16,237
Fishing tackle (value).....	\$ 887	18,876
Flour (brls.).....	190,445	182,899
Fruit, dried (val.).....	\$ 5,518	29,765
Glassware (val.).....	245	6,144
Hardware (val.).....	12,324	21,203
Lard (val.).....	1,238	350
Leather (val.).....	39,689	73,843
Leather ware (val.).....	36,314	8,291
Lumber (ft.).....	3,772,435	90,003
Dressed lumber (ft.).....	1,713,227	200
Medicine (val.).....	\$ 7,502	17
Meat and poultry (val.).....	32,857	1,272
Malasses (galls.).....	21,335	17,347
Miscellaneous (val.).....	\$ 27,358	36,596
Oats (val.).....	34,167	686
Oatmeal (val.).....	7,200	115
Kerosene oil (gal.).....	5,397	463,433
Paint (val.).....	\$ 180	5,042
Printing paper (val.).....	4,569	350
Peas (brls.).....	2,706	32
Pork (brls.).....	7,428	17,285
Potatoes (bus.).....	128,555	62
Ready-made clothing, val. \$	1,175	9,813
Soap (val.).....	4,479	11,393
Tallow (val.).....	268	7,610
Vegetables (bus.).....	5,893	.....
Onions (val.).....	\$ 1,184	571
Woodware (val.).....	7,125	12,088
Woolens, cotton (val.).....	22,154	27,097

Newfoundland imports from the	
United Kingdom.....	\$ 1,911,001
From British Colonies.....	2,231,866
From foreign countries.....	1,877,168
Total.....	\$ 6,020,035

of which latter amount she receives from the United States \$1,672,810. She exports to the amount of \$4,862,951, of which she sends to British colonies, \$536,390; to the United States, \$288,453; her chief customers being Portugal, \$1,221,782; Brazil, \$1,029,935.

Now, while the United States beat us in the West India Islands in bread, butter, cheese, biscuits, flour, lard, medicine, meat, poultry and oatmeal, in every one of these commodities we beat them in Newfoundland, and while I have shown that their trade is larger in each of the West Indian colonies than our is, in some of them as much as seven times greater than ours, our trade in Newfoundland is greater in volume than is the trade of the United States.

To my mind no argument other than this is needed to prove that if we can beat the United States in so many articles in Newfoundland there is no reason why they should beat us, at they now do, in the same articles in the West Indies, no reason that we should not beat them in the West Indies and South America.

But to capture this trade there must be something more than fast steamers and improved postal and cable communication; there must be a manifest friendly feeling on the part of the Government to invite the trade of these islands, by the removal of every barrier which may exist in the way of the largest and freest commercial intercourse, and this to the largest extent, and by the purchase of what they have to offer to the extent of our ability and of our wants. I may say the possibilities of these islands for the growth and production of numberless commodities are vastly greater than we, without personal examination, are prepared to realize.

For example: They can grow as good cotton as is now grown in any part of the world, and only want the encouragement which we can afford them (to a limited extent it is true) to enter upon this new field of enterprise as one of the articles of interchange between both countries, and to that extent at least furnishing new material for return cargoes. It may be interesting to notice the character of the cargoes similar to those which we can supply which are consigned to those markets. I am able to give from among a number which I possess, the contents of a cargo consigned to Georgetown, Demarara, from New York, as late as 7th January of the present year.

The cargo is that of the three-masted schooner "Wm. Hayes," twenty-four days from New York, 382 tons. Here are the contents: 2,117 brls. of flour; 210 brls. of pork; 100 brls. of pork heads; 50 brls. oatmeal; 50 brls. oil meal; 50 brls. lard; 500 bags corn; 100 brls. bran; 159 cases lard; 200 crates oleomargarine; 150 boxes cheese; 1,950 cases kerosene oil; 75 brls. of tar; 75 brls. pitch; 20 cases tallow candles; 11 trs. and 5 crates ham; 200 half-brls. beef; 100 cases cornmeal; 125 brls. split peas; 105 bundles brooms; 5 brls. beef cuttings; 10 cases corn beef; 2 hogsheds tobacco; 5 bags of peas; 98,196 W P lumber and sundries.

It will thus be seen that almost every article in this cargo, which I may say is a fair sample of the cargoes sent from the United States to that market, could be supplied by us on terms equally advantageous to the buyer.

It will give us a somewhat better idea of the openings which the islands present, including British Guiana, if we look at the American imports to this one port, Georgetown, simply for the period of one month, and also at what we find at this one port to be the average monthly consumption. We find, then, the American imports for one month in the following articles to be: Flour, 6,147 brls.; cornmeal, 210 brls.; oats, 200 bags; corn, 1,050 bags; split peas, 495 brls.; pork, 1,060 brls.; beef, 114½ brls.; hams, 26 crates; cheese, 150 boxes; oleomargarine, 250 cases; lard, 429 cases; lard oil, 80 cases; kerosene, 3,900 cases; tobacco, 7 hhd.; pitch and tar, 181 brls.; mules, 14.

The average monthly consumption at this one port is: Flour, 11,000 brls.; bread, 500 brls.; crackers, 400 brls.; cornmeal, 650 brls.; hay, 500 bales; oats, 1,600 bags; corn, 1,200 bags; split peas, 450 brls.; pork, 1,300 brls.; beef, 1,000 half-brls.; cheese, 500 boxes; hams, 50 crates; oleomargarine, 300 cases; lard, 400 cases; lard oil, 50 cases; kerosene, 4,000 cases; tobacco, 25 hhd.; sulphuric acid, 100 cases; pitch and tar, 150 brls.; horses, 4; mules, 25; sheep, 200.

Surely here is evidence of a market open to us, inviting us, and the question may well be asked if this is the average monthly consumption at this one port what must the needs be of the entire West Indian Islands? Still more suggestive is it to look at the imports at this one port for the year just closed, 1888: Beef, 4,898 brls.; bread, 420,229 brls.; bricks, 2,508,792; butter, 494,232 lbs.; tallow candles, 39,020 lbs.; cheese, 202,379 lbs.; com. cheese, 73,844 lbs.; coals, 52,599 tons; confectionery, 71,533 lbs.; corn and oatmeal, 1,366,474 lbs.; fish, dried, 72,141 cwt.; flour, 138,744 brls.; hams and bacon, 260,811 lbs.; hay, 959,469 lbs.; hoops (wood), 1,052,082 lbs.; lard, 402,045 lbs.; lumber, 8,924,362 feet; matches, 26,684 gross; oats, 85,943 bush.; oils, 315,643 gals.; oleomargarine, 173,482 lbs.; onions, 1,638,782 lbs.; peas and beans, 106,427 bush.; soaps, 1,401,935 lbs.;

staves (W. O.), 890,902; leaf tobacco, 709,607 lbs.; staves (R. O.), 904,859; manufactured tobacco, 39,791 lbs.

These articles do not by any means represent the total imports for the year. I have only noted the articles in which we have a direct interest, nearly every one of which we can supply.

What a market do these figures prove is open to Canada in these colonies! It will doubtless have occurred to hon. gentlemen that no reference has been made to the manufactures of our country, for which, in my judgment, there is also a most favorable opening. Two manufacturers' agents, at least, are now anxious to test the opening.

I have heard used as an objection that the employe of steamers in this trade would mean ruin to the fishermen of Nova Scotia and Newfoundland, and I can only express my surprise that anyone should venture such a statement. Suppose for one moment that we set our face against the using of steamers, because our Halifax and Newfoundland merchants own sailing vessels, which they employ in this trade, will that settle the matter? Can we assume that if we do not use steamers the United States will not use them? Nothing of the kind; they are using them to-day, and are using them to the disadvantage of the merchants from Halifax and Newfoundland, from the simple fact that they can, by steamer, send three cargoes for every one which can be sent by sailing vessels, and are so sending them.

Again, if fish is a perishable article, is it more likely to open in fresh and in its prime condition after a passage of eight days than it would be after a passage of twenty-four in the tropics? No class of persons would be so likely, in my opinion, to benefit by such a change as the very class of persons who, it is claimed, would be injured.

I am glad that I am able also to disprove a statement which I had to meet in the West Indies, and which I was unable to contradict—that is, as to the character and price of our flour, as to the flour itself being unsuited for a tropical climate, and the price being too high. Both of these objections are dealt with by practical men, and the information comes to me through a letter addressed to the Sec-

retary of the Board of Trade, which I think hon. gentlemen will not object to my reading:

“TORONTO, 20th February, 1889.

“DEAR SIR.—The chief obstacle to the establishing and maintaining of a flour business with the West Indies and British Guiana, provided there were proper freight facilities, is this: the growing of wheat in Canada has not yet reached such dimensions as to insure a surplus for export from every crop. Without such a surplus, that can be relied on as permanent, business cannot be established and retained against the competitors who are in the field permanently.

“This objection will be overcome in time by the development of the wheat country of Manitoba and the North-West.

“The Hon. Mr. Macdonald, in his paper, makes the statement that Canada flour is of too high a grade—too expensive—and will not keep in southern latitudes.

“That it is of a high grade must in itself be a strong recommendation, not an objection. That it is too high in price is not because it is too high at our seaboard at such years as we have an exportable surplus, for in such years we can and do compete in price with the whole world.

“The third objection—its non-keeping quality—refers rather to flour made in Canada years ago than to what is made in the best Canadian mills now. I am confident that Canadian millers now make flour entirely free from this objection.

“With a permanent exportable surplus—which we will eventually have—and with shipping facilities as good as our competitors have, Canadian millers can successfully compete in quality and price with the world for the trade of the countries mentioned.

“I am, yours truly,

“M. McLAUGHLIN.

“E. A. WELLS, Esq.”

In this connection, also, I am persuaded that an extract from a letter of Mr. George A. Chapman, a leading grain merchant, will also prove interesting. He says:

“I feel assured that if a steam service was established for two or three years, by a subsidy from the Government, to even extend beyond the West Indies to Brazil and the Argentine Republic, if thought advisable, that full cargoes could be obtained out and home for this service, and thus enable us to import all our sugars, molasses, etc., direct, instead of through the United States, as most of them are now brought in, and would, moreover, put us in a position (at all events as far as this trade is concerned) to be independent, in case the bonding system is done away with by the United States.

“I feel assured also that there is sufficient enterprise in our commercial men to carry on the trade when once fairly established.

“GEORGE CHAPMAN.”

I have also letters from a number of substantial firms engaged in the West Indian trade, from various parts of the Dominion, which I will not detain the House to read; but while talking about



extending our trade with South America and the West Indian Islands let us not lose sight of the need of the extension of our trade with our neighbors across our borders.

Look at it as we please, of all the countries on this side of the ocean none to us is so important in reference to our trade relations as is the United States. Nay, is it too much to say that they are well nigh as important to us as all the other countries whose trade we have been considering, and to maintain pleasant relations with them, to encourage and to foster the development of our trade with them, ought always to be the aim of the Government of Canada. No nation bearing the slightest regard for its own self-respect can at any time agree to trade conditions which would bring with them a sense of humiliation. No nation, especially such a nation as Canada, can either beg or cringe for trade with any other nation.

But between waiting to be approached on the one hand and a continuous persistency on the other, to arrive at an understanding, clear, dignified and advantageous, there is the greatest possible difference.

The failure of our commercial treaty does not by any means imply that another one is not to be attempted, and this to be followed up by successive efforts, so long as such efforts can be followed up with the maintenance of honor.

The market of the United States is one which ought to be utilized by us to the largest possible extent, and no sentimental ideas ought to prevent us from prosecuting with the utmost energy such a policy as would lead to the most amicable understanding, and enable each to enjoy in the largest possible extent the markets of each other.

I am not charging the Government with indifference on this most important subject. I am not charging them with inactivity. They may, for aught I know, be at this very moment carrying on negotiations towards the securing of this end; but what I wish to put most clearly before the House is this: that the persistent effort of our own Government to secure trade conditions on equitable terms implies no loss of dignity, and could in the end be fraught with nothing but good.

The rabid utterances which reach us

through the American press are not the utterances (save only in exceptional instances) of native Americans. They come rather from the disaffected portion of our own countrymen who have sought a home in the United States. Rather would I believe that the sentiments expressed by Mr. Phelps at the Mansion House in his farewell to England are the sentiments of the best portion of the American people towards Great Britain and Canada. Referring to his first appearance in England in the same building and the reception accorded him at that time, he says:

"It struck what has proved the keynote of all my relations here, it indicated to me at the outset how warm and how hearty was the feeling of Englishmen towards America, and it gave me to understand what I was not slow to accept and believe, that I was accredited not merely from one Government to the other, but from the people of America to the people of England; that the American Minister was not expected to be merely a diplomatic functionary, shrouded in reticence and retirement, jealously watching over doubtful relations and carefully guarding against and anticipating dangers; but that he was to be the guest of his kinsmen, one of themselves, the messenger of the sympathy and good will, the mutual and warm regard and esteem that bind together two great nations of the same race and make them one in all the fair humanities of life."

And again:

"It is (he says) in a great and constantly increasing intercourse between England and America, its friendliness and its amenities, that the security against misunderstanding must be found. While that continues they cannot be otherwise than friendly. Unlucky incidents may sometimes occur; interests may happen to conflict; mistakes may be made on the one side and on the other; sharp words may occasionally be spoken by unguarded or ignorant tongues, but these things are all ephemeral; they do not touch the great heart of either people; they float for a moment on the surface and in the wind, and they disappear and are gone, 'in the deep bosom of the ocean buried.'"

It is by the maintenance of such a spirit on the part of the people of both countries that those peaceful and pleasant relations so essential to the well-being of both countries are to be secured, without which trade becomes divested of its attractiveness, and no transactions take place between either other than those which are the result of actual necessity.

Here I may be asked whether or not I have seen what is called the Retaliatory Bill of Congressman C. S. Baker, of New York. I would say I have read the Bill as reported in the papers. It does not in any way affect my argument, or leave me

to doubt that the political leaders of both countries could, in coming to the consideration of this subject in a spirit of broad and generous statesmanship, find a solution to this question which would result in an understanding which would be dignified, advantageous and enduring.

There is room enough on this continent for the two great English-speaking nations which now people it; room enough for them to dwell side by side, not as neighbors only, but as friends; room enough for them to enlarge the borders which now cramp and embarrass them in their commercial intercourse; room enough for them to do all this, and more, without annexation on the one hand or the pooling of Customs duties on the other; room enough to do all this without losing, on the part of each, one particle of self-respect, or without either finding it necessary to change its allegiance.

But I may be asked: Are these views in accord with my sentiments to which I have given utterance upon several occasions? They are in perfect harmony. No words of mine so uttered do I desire to recall; none do I desire to modify. As I thought then, so think I now. One thing we must not forget: we are apt to conceive that if in our exports we are not going behind that, therefore, our position cannot be an unsafe one. There cannot be any greater mistake. If we are not steadily forging our way forward we are losing ground. To stand still is to go behind; if there is not advancement there must be retrogression.

Surely an advance of 3 per cent. per annum in the export trade of our country each year during the last fifteen years would have been an exceedingly modest expectation—an expectation so modest indeed that no hon. gentleman in this Chamber will say it would be an unreasonable one. What would that have given us? Why, this simply: that with that modest addition our export trade to-day would have been 50 per cent. greater than it is.

See what Uruguay has done? Its export trade increased 25 per cent. from 1881 to 1885. Very remarkable are the figures of the trade of the Argentine Republic for 1887:

"We learn from the interesting trade statistics in Mr. Baker's report that the total trade of the Republic

was greater by \$36,530,000 in 1887 than in 1886, the figure for the former year being \$201,773,000. Of this trade England got \$52,000,000—more than a quarter. Her trade with the Republic has more than tripled itself in eight years, having been only \$17,272,000 in 1880."

The export trade of Venezuela quadrupled in the last few years.

A very considerable increase also took place in the export trade of Brazil from 1882 to 1885, and is it to be reserved for this country, in all the freshness of her young life and vigor, to be stationary while other countries, not possessing her advantages, are so progressive?

Surely the maximum of our productiveness has not been reached! Surely we have not attained to the full power of our manufacturing ability! Surely we are not prepared to acknowledge inferiority in our artisans or a lack of progressiveness in our merchants! Let there be no uncertainty on one point: develop our home trade as we please; protect our home industries as we will; keep out, if we please, the industries of every other nation, and furnish to our own people, from our own people and by our own people, if that be possible, all that they require to eat, to drink and to wear—what then? Why, this simply, that we will never make the power of our own country fully felt abroad until, by the native merit of our own craftsmen, we force our wares, our manufactures of wood, of iron, of wool and of cotton into the open markets of the world, until the products of our mines and our forests, our fisheries and our farms, have, by the force and energy of our own people, been pushed into every opening where fair competition will meet with its reward. Not until this is done will our country occupy the prominent position which she is well fitted to fill, nor will she fulfil the high destiny which now awaits her.

How well does the United States understand the value of her export trade! How fully alive she is to this may be gathered from the fact that her exports to Great Britain alone have of recent years been extended so steadily that now they have risen to about four times the value of her imports from Britain.

Great as Great Britain is, what would she be without her export trade? With her total trade of £584,012,455 sterling, of which £213,044,500 represent her exports,

who can estimate to what extent this is the secret of her power? Go where you will, you will find the handiwork of her looms; you will see the skill of her artisans; and wherever the power of her commerce is felt there will also be found the blessings of her civilization; and hence it is that to-day one may find in her markets "Purthians, Medes and Elamites—in fact, men of every color, and race and language under Heaven."

There is much that a Government can do to foster trade, but it cannot compel men to go to markets which it opens; it cannot compel men to reap the harvest which it puts within their reach. That must be done by the men themselves; they must be brought into touch with the great business houses at all points or centres if the full measure of such new departure is to be entirely realized.

How are we to reach the condition of things which is going to bring us the foreign trade we are seeking? In connection with the development of trade with the countries we have been considering, what will we need?

1st. A perfect system of steam communication, a class of vessels in every way fitted for freight and passenger service, vessels having a speed of not less than from 13 to 15 miles per hour.

2nd. An efficient cable service. It seems incredible that cable messages from and to the West Indian Islands cost to-day from 12s. to 15s. 6d. sterling per word, arising, in part, I have no doubt, from the fact that the cable system is connected, in addition to its British connection, with French, Spanish and Danish Islands, as well as with the United States.

3rd. A satisfactory postal service, the present one being as unsatisfactory as it can well be.

4th. The improvement of the light-house service, if time and safety are to be secured—for while no coast line on the continent is more dangerous, none is worse lighted. This I suppose is an Imperial matter, but none the less important.

5th. The removal of every obstacle which acts as a barrier to the carrying on of an extended trade between both countries. Unless this is done the expenditure upon ships or cables would be a waste of money, for it may be regarded as a settled principle in business that no nation will

deal with any other which, by any Customs enactment, renders the introduction of their products impossible, and that in such cases transactions will be limited strictly to those which are the result of necessity only.

I am aware that the ground may be taken that the past has been a season of preparation—that it represents that chapter in the history of a young country which must be regarded as the one of foundation-laying; that, as in the case in the foundation of great structures, much of the expenditure does not immediately appear; that its value, so far as appearances are concerned, are prospective. So in like manner it must be held that the great expenditure in railways is as well as for the business of the country, for the opening up and peopling of its homesteads, villages and cities, and that it would be unreasonable to expect at present the fruits which are certain at some subsequent period to be gathered; that the same remarks apply to canals and harbors, break-waters and graving docks. I am not going to say that this argument is without force, and although I believe that the period which lies between preparation and completion has not only been reached, but has passed, and that for some years at least, we should have had results which we have failed to find; although I think so, yet I am not disposed to weaken, by any words of mine, the force which such a statement may be expected to carry. But now that such a plea can be no longer raised, now that roads have been built, rivers deepened, canals enlarged and the whole system of rail and river communication perfected, let us have results. This House will look for them; let us be assured the country will.

I have spoken somewhat plainly; with the facts before me I do not see how I could have done otherwise.

These facts have revealed to my own mind a state of things for which I was not prepared, a state of things which, I think, cannot continue without danger. I trust, however, that honorable gentlemen have had no difficulty in realizing that they have not been presented in a spirit of hostility, and that their tenor has been so apparent that it is not necessary that I should disclaim any such intention.

I venture to think that the subject which

I have brought under the notice of this Chamber, however imperfectly it has been presented, is one of the most important which can engage the attention of Parliament. Many questions underlie its consideration. Are we to be content with our present markets, or are we to look for new ones? Are our farmers to feel that with the present outlets open to them they are to be satisfied? Are our manufacturers to feel that the bounds of their operations are to be the limits of their own country, or are they to feel that wider fields invite their skill with fair prospects of profitable returns? Are we ourselves to be satisfied with the present export trade of our country, or are we not rather to seize the opportunities which offer of extending our trade and of making our country better known?

It may be well to consider that striking results are not to be immediately expected, at least from the West Indian trade. Too long by us has that trade been neglected; too long have our American neighbors enjoyed its advantages to be immediately supplanted; too deep are the channels which the commerce of these islands have coursed out to be immediately diverted; too intricate are the commercial relations which have sprung up between the West Indian and the American merchants, relations I have no doubt which are pleasant and satisfactory; too long have these existed to be rudely severed, but we can greatly change the character of the volume of trade which exists with these islands as between the United States and ourselves to-day, and in time, by persistency, will doubtless attain a position which will fully establish the value of these markets to us. Can this great change be brought about?

How is it to be accomplished? In the precise way in which a merchant increases the volume of his trade. What does he do? He has before him the operations of preceding years, the sales, payments, profits and losses of each. He has before him the operations of each day, and week, and month and season of the previous years. He has an object to accomplish, and he intends to succeed; hence, results are expected from each day. Is he beaten in the open market? He faces the condition of things which circumstances forces upon him. He cannot afford to

have any fancied excellence of his own commodities stand in the way of their sale. He must impress his customer with the fact that it is to his advantage to buy from him. If there is a serious falling off in his trade in any locality, or with any customer, it is discovered and remedied. If wrong has been done, unconsciously, it is corrected, and if circumstances call for an apology it is made, not waiting until one is demanded. If incompetent workers are preventing results, or failing to achieve them, they are removed. If the field of operations is circumscribed it is enlarged, and the result is that the year closes with the accomplishment of the purpose which the merchant placed before him at its beginning. He has made the addition to his sales that he contemplated, and it was secured by increasing vigilance. It will require the same watchful oversight to secure the needed increase to the export trade of our country. That our export trade has not had that oversight is, I think, abundantly evident from the results, and equally clear is it that no change is to be expected unless such a plan as has been indicated is adopted.

Who is to do this? Carlyle says that "He who would act faithfully must believe firmly." One in many respects as great a man as Carlyle—I mean the late Bishop Fraser, of Manchester, has said "That if a man is wholly out of gear with his time he cannot influence." Never, in my humble judgment, has there been in the history of our country such an opportunity as the one which now exists for a Government to distinguish itself in initiating measures broad, generous and far-reaching for the development of our trade with other nations; never such an opportunity for a Minister, however wisely and however well he may have done his work in the past, to secure for his country that which it needs, and to add to his own reputation for wise statesmanship. Such opportunities come rarely, either in the history of nations or individuals. All the more important that they should be seized and turned to account. But it must be a man who, while he would act faithfully, believe firmly. It must be a man who has faith in the possibilities of his country, faith in its resources; faith in the intelligence, in the industry and skill of its people; faith to believe that whatever can be done by

others can be done by Canadians, and that man for man they are equal in ability, in intelligence, in energy and in honor to any class of men in any part of the world. He must be a man who, as Bishop Fraser puts it, is not wholly out of gear with his time, but is in sympathy with it, for without this, as he rightly observes, he cannot influence.

Man's first word, says Julius Hare, is "yes," his second "no," his third and last "yes," and while the bulk of men stop short at the first, very few attain to the third.

The cause, the chief cause of failure in every department of life, is that too many say "yes," and say it thoughtlessly, not stopping to estimate all that is implied in the word, and, as a consequence, never producing satisfactory results.

Too many with greater light say "no," but lack the determination to rise to the necessities of the occasion for which their more thoughtful consideration would have fitted them.

Too few are there who, having passed through the crucial period, and having reached the final stage, say "yes" with a full consciousness of all which that word implies to themselves and others.

But when you find such a man you find a man to whom nothing is impossible, you find a man who has not unthinkingly undertaken responsibilities, and who is not to be deterred by difficulties; who finds his reward rather in the performance of his duty than in either the favor or the applause of his fellow-men.

Under the administration of such a man we may expect to see marvellous results in the export trade of our country, and with such a man results will be seen speedily.

I hope to see new markets opened for the food supply with which Providence has so richly endowed us. I hope to see new markets, not only for the produce of our farms, but for the products of our mines, our forests and our fisheries.

I hope to see new markets opened for our manufactures, now largely shut up to the market of the Dominion, and that instead of pressing upon each other, as in some departments of trade they are now doing, working occasionally on short time and without any advantage to shareholders, that they will be able to work on full time, give full employment to their hands,

and paying dividends to their shareholders. Surely this is not too much to expect. Surely this cannot be regarded as an extravagant forecast.

Sixteen years ago our trade with the West Indies was within a few dollars of \$4,000,000; to-day it is not more than \$2,601,468. I claim that instead of being less it ought to have been more; but this fact is at least assuring, that that which has been the condition of things once may and can be reached again. Vastly more difficult is it, as any one conversant with business knows, to regain ground which has been lost than to open up new trade; but this is one of the aspects of the case which has to be faced, and it ought to be bravely done, with a fixed determination not only to reach in the markets the position we occupied before, but to go beyond it. I venture to offer a suggestion to the hon. leader of the Government in this Chamber, and it is this: whatever subsidy is given to steamers let it be to those only of first-class, to vessels of not less than 2,000 tons, and of speed not less than from thirteen to fifteen knots. There are numbers of second and third-class steamers employed in that trade to-day, and if Canada is to make its influence felt and to have its position acknowledged it must be by a line which will be a credit to the country, and which will command its travel as well as its freight.

Another matter, and a most important one—one indeed, which, if neglected, will go far to neutralize the effect of even improved steam communication—is a cheapened cable system. A moment's reflection will show how all business messages must be circumscribed with rates varying from \$2.75 to \$4 per word. This may need negotiations with other powers, but unless cable messages are brought within reasonable limits, say of not more than from 40 cents to 60 cents a word, a most important link in the chain will be incomplete.

I have already stated that Governments may open the way to new markets, may remove obstacles, may subsidize steamers, but cannot compel its people to avail themselves of these advantages. In the case of our people there is little fear. Let the Government set about its work earnestly, let it prosecute it diligently, let it watch over it faithfully. Our people will do the rest.

