

duties of all kinds that enter into their industrial life. I do not say only upon exports, but a rebate of duty on everything. That is what free trade is. Free trade is the competition that has only been secured by the people of Great Britain; not secured because it is forbidden to anybody else, but it is secured because other countries have failed to realize the full strength of the policy of Great Britain in so applying her commercial principles that the cheapness of her products can enable her to conduct enormous productive enterprises in various industries and to sell the product of that industry in the markets of the world and to compete with every other country in the world and penetrate their barriers. If the people of Great Britain are enabled to do that to-day, then I say all that we have to do is to apply the same economic conditions to ourselves in Canada the same commercial conditions will flow from it, will be ours. A great argument which is advanced on behalf of protection is that by confining within our own bounds the power of manufacturing for the people in a restricted area, that by that means we build up commercial centres, and bring them closer to the farming population. What I have to say is this, that the commercial centres that are built up in Canada, and have been built up in Canada are confined in their operations and in their growth entirely to the purchasing power of the 5,000,000 people. The manufacturing has got to stop, the growth of towns has got to stop, the growth of everything has got to stop the very moment the purchasing power of 5,000,000 people have been fully satisfied if they have no power as far as our manufacturing is concerned to go beyond the confines of Canada for the sale of articles that it is eminently fitted that we in Canada are enabled to produce in consequence of our magnificent water power, in consequence of the intelligence and industry of our population, in consequence of the facilities that we have for exporting to the markets of the world by ocean transport, the cheapest form of transport that there is known. We have all those facilities, we have all those conditions hon. gentlemen. We have the avenues opened up by the commerce of Great Britain. We have that commerce protected by the navy of Great Britain. We have all those advantages which are ours and costing us nothing. I wish to impress upon this House the fact

that this rebate on exports is putting our competitors in a better position to sell their wheat at a lower price and forcing us into closer competition to sell our wheat in consequence of the cheapening of the machinery which they are employing to-day.

It is really an export bounty, and we have seen what the effect of an export bounty has been in Germany and France and continental countries in the case of sugar. The continental countries developed the policy of making this sugar to compete with the cane sugar from the West India Islands, the Java Islands and other countries that produce it, and they gave an export duty on sugar, and the result of it was after their own market was glutted, and ruin stared this exotic industry in the face, in order to get it abroad and enter it in competition with the cane sugar, they found it necessary to tax themselves to an enormous extent to maintain the industry; and what has been the result? The result has been that in France the tax has risen as high as eighteen million dollars a year that the sugar industries of France were paid in order to enable them to get beyond France with their sugar. The people of Germany taxed themselves eight million dollars a year in order to give cheaper sugar to Great Britain and other countries. Now what was the result of the people of the country itself? In Germany it was brought out that the people of England, while they were maintaining a very large import of cheap sugar, were getting a consuming power of 75 pounds per head of the population while the people of Germany were only able to consume, for their own use, 15 pounds per head, in consequence of the increased price by protection and lessened purchasing power.

Hon. Mr. POWER—Hear, hear.

Hon. Mr. BOULTON—Now, that was the effect. They were impoverishing their own people—they were reducing their purchasing power through the taxation they were putting upon themselves in order to foster an exotic growth instead of leaving it to the freedom that free trade would give them to develop their industries by natural means. If we commence a policy of that kind under a policy of rebates on exports we are going to arrive at exactly the same position. If we give rebate on exports of agricultural machinery why not on exports of