

change in the value of money, that is, a dollar then would buy much more than a dollar now, but that difference would only account for a small part of the increase. Now that increase in imports is due no doubt to several causes, but there is one cause that I think is well worthy of comment, and it is of much larger operation in the business of the country than is generally appreciated. That is the fact that with scientific discoveries, new inventions, improvements in the arts, the general desire of all civilized people to maintain the same standard of living, to have the same conveniences, the same pleasures of life, the same labour-saving devices and the same transportation facilities, there has been created an ever-widening circle of new wants, making it more and more difficult for any country to supply its requirements from within its own territory. This same rule applies to all countries in the world, all countries at least that are advancing. Take the United States for example, a country

with a great diversity of climate, a  
5 p.m. great diversity of products, a great  
diversity of soils, and yet there

we find they are importing more and more from the outside world. Notwithstanding even the Fordney tariff they continue to import more and more. We sell them more goods from Canada now than we did a year ago. The Fordney tariff, high as it is, is not sufficient to form a barrier against that economic law. Now countries in that respect vary greatly. We in Canada are subject to very considerable limitations that do not exist in the United States, for example, climatic, geographical, and a limitation in natural resources of some kinds.

In the debates in 1879, when the National Policy was adopted, one of the strongest arguments put forward was by Sir Charles Tupper, and it ran something like this: He said that in England and the United States they had great deposits of coal and iron; in Belgium they had the same; that by reason of the development of these two resources England and the United States had become great and wealthy, and Belgium wealthy. He said: Here in Canada we have vast deposits of iron ore, vast deposits of coal, and by reason of these two things, if we establish a protective policy, something to care for the industries dependent on the production of iron and steel, we will soon ourselves become wealthy and great. Well, that policy was adopted in 1879, and the protective tariffs in respect of those particular industries were then put in force, and what is the result? In the year 1922 there was not a pound of iron ore produced in Canada that

was smelted in Canada. During the last few years the production of iron ore has dwindled to the point of practically nothing. Last year we exported a few thousand tons which was smelted in furnaces in the United States, but here in Canada we find that these great deposits of iron ore which were going to provide the wealth of the country are not being developed, or they are unfit for development, or are so situated that they cannot be economically developed. The mills of Nova Scotia get their iron ore from Switzerland, Sweden and Spain. The mills of Ontario get their iron ore from the United States. All the steel made in Canada is made from foreign ore. The machines we make in Canada out of iron and steel are made out of the products of another country, and the same thing in regard to other products of various kinds sugar, cotton and other textiles.

We are not a self-contained country; we can never be a self-contained country. We have to recognize that we cannot live alone, that we are part of a great world, and that more and more as the years go by we will deal with other countries, irrespective of tariffs. That being so, having to buy more and more, we have to pay for what we buy. How are we going to pay for it. In addition to paying for what we buy, we have to pay \$180,000,000 or more per year interest on debts due to foreigners in foreign countries. How are we going to pay that interest and pay for what we have to buy? We can only pay by what we export. What do we export and what can we export? We export the same kind of things that we exported in 1879, largely; that is, the products of the farm, the sea and the forest; they may be in a partially improved form, but, generally speaking, we are confined to these three resources. In the fiscal year ending 31st March, 1922, we exported goods to the value of \$931,000,000. Of that sum \$772,000,000 was made up of products of the farm, the sea and the forest. There should be a deduction made from the total because of sugar, but a clear eighty per cent of the total exports were made up from those three sources. It was true in 1879, and is still true—and it seems to me that the wise policy in Canada is to recognize the fact—that if we are going to maintain our place in the race of civilization we have to depend on those main sources upon which we depended forty years ago. The products of the mine do not represent a very large percentage of our exports. The exports of manufactured articles amount to a small percentage, this part of our trade being hampered by foreign tariffs. Many of our manufacturers