

commodities, if we had no customs restrictions whatever and had the credits, we could go into the markets of the world and buy those goods at world competitive prices, just in the same manner as we sell the products of the farm. Under those circumstances we believe that through the system of protection the price of certain commodities is increased by the amount of protection which those commodities enjoy. Consequently, retaliation would be foolish on the part of Canada and we do not believe it would be of advantage to agriculture at all.

But we have recognized this important point also, that the great bulk of our exports to Great Britain are composed of agricultural products, and under the circumstances, since Great Britain gives us a market in her country for a very large surplus of our agricultural products we feel that somehow or another it might be possible to give to the British people some advantage in our markets, which would be of benefit also to the Canadian people. It is quite true the purchasing power of the British people, like that of the Canadian people, is very much restricted; that is to say, the purchasing power is usually not quite sufficient to meet the prices placed on commodities which have already been produced, and this creates from time to time periods of depression when these goods finally accumulate in large quantities. In view of the fact that we have the old country market for our surplus agricultural products, true it is, in competition with other countries, we believe, by buying more of Great Britain's manufactured goods, we shall be helping to increase her purchasing power and she can then, because of her greater purchasing power, buy more of our agricultural products. We believe that would be far better than any proposed policy of retaliation which might be used in this country against another country which at present is proposing to increase the duty on the importation of agricultural products. We merely ask that this matter be considered by the house, and particularly by the government, because they will be responsible for bringing down the budget. Under the circumstances we think a far better policy for Canada to pursue is to increase the British preference, thus eliminating barriers and thereby increasing the business of the country all round.

My time has elapsed. Coming back to the speech from the throne, I do not see anything outstanding in it. It is very largely a résumé of things that have already taken place and consequently I am not enthusiastic about it nor am I depressed as to its contents. But I hope that as the session proceeds the govern-

[Mr. Gardiner.]

ment will bring before the house such important legislation as will be required to meet present day conditions. It is true, as I said before, that we have had an era of prosperity, but it appears very likely we shall have a period of depression for some little time. I hope that will not be the case, but everything points towards it.

Mr. A. A. HEAPS (North Winnipeg): Mr. Speaker, I wish at the outset to associate myself with the very kind sentiments expressed by the previous speaker with regard to the Minister of Finance (Mr. Dunning), the new Minister of Railways and Canals (Mr. Crerar), and also the mover (Mr. Gray) and the seconder (Mr. Dupuis) of the address in reply to the speech from the throne. I feel, however, I ought to take this first opportunity I have in rising in my place in the house, to express my views and those of the people whom I represent as to conditions in Canada at the present time.

As I sat here this afternoon and listened to the very fine speech delivered by the Prime Minister (Mr. Mackenzie King), one almost felt we were in a state of the highest prosperity; but from the Prime Minister remarks, his conception of prosperity is to be gauged by what presidents of banks, the president of a railroad and the Montreal Gazette have to say. It was claimed that the Montreal Gazette is a Conservative paper. That is perfectly true, but from my reading of the paper I have come to the conclusion that while it is a Conservative journal, it generally supports the policies of the Liberal party. I hardly expected the Prime Minister would quote the gentlemen whose statements he has used to show that Canada was prosperous, because this very day the right hon. gentleman has said that the Liberal party has become the right wing of the Labour party in this Dominion. He did not, of course, use those exact words; he said that the Labour party was the left wing of the Liberal party, but I presume the reverse might also be true. Let me say this to the Prime Minister, that if he associates with that particular company and uses those gentlemen as a criterion of what is going on in regard to prosperity in Canada, I am afraid the other associations will not be of a very harmonious character.

Mr. MACKENZIE KING: My hon. friend missed the purpose I had in view. I was endeavouring to give my hon. friends opposite some of their own gospel, quoting authorities which I thought would appeal to them.

Mr. HEAPS: There is a sort of triangle here and I am trying to complete it if I can.