

The burdens which the Canadian people will have to carry when this war is over will make it imperative that every ounce of the national energy, and every dollar of the national capital, be directed into those channels which will give the greatest economic return.

Again, we shall most of us agree that the fiscal policy of Canada must be in the future, as it has been in the past, greatly influenced by the fiscal policy of the United States. Now, what is their fiscal policy for the future likely to be? The war has made of the United States of America a great creditor nation instead of a great debtor nation. When this war is over, instead of the United States owing Europe for money borrowed in years gone by, Europe will owe the United States for money borrowed during the course of the war. Prior to the Civil War between the North and South of the United States, that country carried fifty per cent of its own exports and its own imports in its own ships; immediately prior to this war, it only carried ten per cent. The deprivations of the Alabama, but in a greater degree the influence of a policy tending to reduce imports, was largely responsible for the diminution. But after this war, matters will have assumed a different aspect, and the United States will have become again a great shipbuilding power. Both of these facts will tend to accentuate the direction of the economic and fiscal thought of the American in the direction of a lower tariff. If the United States, now the greatest absolute free trading area in the world, shakes off the shackles of restriction and adopts the principle of liberty in regard to its commerce, it will be inevitable that Canada will be forced to follow suit.

And there is another reason why I would urge upon the House and upon the country the need for sound economic thought in regard to the tariff, and it is this: No one who has read anything of the diplomatic history of Europe for the last ten or fifteen years can have failed to be impressed with the fact that the scrambling among the European nations, either for new territory or spheres of influence in the uncivilized or less highly developed parts of the world, has been responsible for the generation of a great deal of international friction. What induced European nations to this policy? Some of them, to a certain extent, because they wished to enlarge the territorial limits within which their manufacturers would have a favoured market. Those among us who believe in the goodness of God and the sanity of mankind, look for-

ward after this war to a world in which right and reason will reign, and we wish to eliminate from the world's economy those causes which intensify international jealousies and international rivalries; and many of us believe that in a world where trade was free in all parts, the occasions for international jealousies, international misunderstandings and international conflicts would largely diminish, if not entirely disappear. And it is our sincere wish that this country should not be the last in the movement towards a sound and reasonable internationalism.

In laying these proposals for a sound economic policy for Canada before this House, I maintain that no manufacturing industry, whose existence is justifiable in this country, will be in any way hurt. My desire is that all my Canadian fellow-citizens, in whatever employment they be engaged, should be both happy and prosperous. But I say this, that manufacturing cannot prosper unless Canada, as a whole, prospers; and that Canada cannot prosper under a policy of restriction. As to changes in our fiscal system, what I have to propose is "Reform not Revolution." I am reminded, Mr. Speaker, of a speech I once delivered in Calgary, in the hearing of the hon. member for Macdonald (Mr. Henders) and I remember expressing some tariff views at that time which did not receive altogether the approbation of that hon. gentleman. He thought that I was far too moderate in the reforms which I suggested. I hope that to-night when I have finished speaking, the same moderate reforms which I propose now, and which were unacceptable to him then, will be supported by him and that he will at least go as far as I am going to-night. We need a lower tariff in Canada, not only to remove the economic burdens which now rest on the national producers, but also that we can obtain more revenue for the state, because there are certain lines which are so highly protected to-day that importations in those lines are practically negligible and we get little or no revenue from them.

But I am willing to adopt the dictum of Woodrow Wilson who said: "The direction in which a party or individual is moving is a matter of principle; the speed with which the movement takes place is a matter of expediency." I am willing that we should go slow; I am willing to give every possible chance, to have every interest in this country adjust itself to what is before us. But I believe that in urging the