

of this government more fully than any other matter, but although that should be the case, we find that last year we bought from the United States nearly one billion dollars' worth of products for the purpose of supplying the internal trade of Canada. A portion of the goods imported was utilized for the manufacture of products which went into our external trade. But there again we meet with a difficulty. An hon. member the other day placed a question on the order paper asking the quantities of manufactured goods imported and sold. In order to understand the answer given he must have before him an explanation of how the classification is made. For instance, blister copper is classified as manufactured goods because it comes out of the smelter in blister form, which is exported not as a raw product, which it is so far as commerce is concerned, but as a manufactured product. I could name other commodities, such as lead, asbestos and pulp, all of which are partly fabricated or processed when they leave the country and which are classified for trade purposes as manufactured goods. It must be apparent to every thoughtful man that blister copper is of no use so far as manufacturing is concerned; it must be refined, and up until a few months ago all the refined copper which was used in Canada was imported from the United States. It is true that recently they have been doing something at Trail in the way of refining copper, but I mention that merely as an illustration of the difficulty in understanding trade statistics when the word "manufactured" is utilized in the sense in which it is in the trade returns of all countries. As the Minister of Trade and Commerce (Mr. Malcolm) very properly admitted last year, when you use the word "manufactured" with reference to various commodities which are partly fabricated or processed before they leave Canada, you have a considerable volume of goods, but for the purpose of trade those goods are not manufactured. Some of the goods classified as manufactured goods, are, so far as business is concerned, nothing more than unmanufactured goods or raw material. Last year the Minister of Trade and Commerce was good enough to indicate the list from which the classification was made, but it is a very difficult thing to make accurate comparisons when you come to deal with copper, for instance, as raw material exported from Canada, and then have to deal with refined copper as a manufactured commodity imported from the United States. It is very difficult for the Canadian people to arrive at a fair comparison.

At six o'clock the house took recess.

[Mr. Bennett.]

After Recess

The house resumed at eight o'clock.

Mr. BENNETT: Mr. Speaker, when the house rose at six o'clock I was directing attention to the failure of the government to deal with the problem of the internal trade of Canada on such a basis as would ensure the largest measure of employment to Canadians in the fabrication of our own raw materials which are exported so frequently under the name of manufactured materials. The internal trade of a country, even of a country of ten million people, is of transcendent importance, and the failure of the government to recognize that fact constitutes one of the strongest counts in the indictment against the administration. I again point out that last year to meet the internal trade of Canada we imported nearly \$1,000,000,000 worth of goods from the United States. That meant for people outside of this country so much employment that might usefully have been brought here. While a portion of that \$1,000,000,000 represented the purchase price of goods not produced in Canada, such as petroleum, oranges, lemons, and other tropical fruits, sugar and other commodities, there could have been expended in this country by the production of goods from our own materials to meet our requisites something between \$300,000,000 and \$500,000,000.

Mr. STEWART (Edmonton): Much nearer \$300,000,000 than \$500,000,000.

Mr. BENNETT: That depends on how you arrive at what might be done; but certainly \$300,000,000 is the minimum value of the goods that might have been produced in this country but were imported from abroad. So much for the problem of internal trade, which, I point out, the government has apparently entirely overlooked. While we appoint trade commissioners abroad we neglect the trade at home. While we are content to dwell upon the great volume of our exports and of the imports that we draw from foreign countries, we overlook the fact that this adverse trade with the United States amounts to some \$400,000,000 which must be counter-balanced either by invisible balances or payments in gold which arise from favourable balances such as those we had last year with Australia and New Zealand.

Let us come to the problem of external trade. To put the matter briefly, the external trade of Canada may be divided into two classes, namely, the trade which arises from the sale of our natural products partly fabricated or wholly unfabricated—that is in