

in this House that, as was pointed out by the leaders, we get along with our work pretty satisfactorily and do it very thoroughly, and with good results to the country, without indulging in any of the verbal tempests that sometimes characterize proceedings in another place. We endeavour to devote ourselves to the subjects that come before us and to deal with the facts in a calm and judicial way, and as I purpose this afternoon to deal only with some facts which I think are of importance, I hope that I may all the time keep within the tradition of this Chamber. So that I may be sure of keeping close to the subject, may pack what I have to say within a short address, and may safeguard myself from any movement that might frighten away the dove of peace that was with us last night, I am going to refer to some notes which I have made on the subject.

I intend to confine my remarks to the subject of mutual trade preferences within the Empire, looking a little at the past, and then at the present-day situation.

I turn back a moment to the period of 1897 and later, when we were in the Colonial spirit; when the words "Colony," "Colonial" and "Intercolonial Conference" were complacently accepted as expressing the relationship that existed between Canada and the Mother Country.

It is recorded that during the election campaign of 1896 Sir Wilfrid Laurier, at the time leader of the Opposition, announced that if he were returned as head of government in Canada he would take steps to obtain mutual preference trade arrangements with Great Britain. He won the election. Following his proposed policy in 1897 and 1898, he established tariff preferences for the benefit of the United Kingdom; thereby making, as he said, a free-will offering to the Mother Country, on which he based the hope that he would create sentiment in the Mother Country favourable to mutual preferences.

A few years later Sir Wilfrid was impressed with the belief that what he had done was about to bear fruit. Two events worked together to make that impression. One was the imposition of a corn tax by the then Government of the United Kingdom. The other was an invitation by that Government to the Colonies to go to London and confer about trade relations and other matters of common concern. The House of Commons Hansard of the time, April and May of 1902, shows that Sir Wilfrid was quite confident that he was to have opportunity to "bring Britain and the Colonies to agreement acceptable to all." So was his Finance Minister, Mr. Fielding, who remarked, "That is what is happening to-day."

But there was disappointment in store. What was being said in this country was wafted across the ocean. The news stirred the blood of that ardent free trader and Liberal leader, Sir Henry Campbell-Bannerman. He sounded alarm. He waged a vigorous campaign against protection and preferences. The Government of the day weakened. Canadian hope of mutual preferences faded away.

The Colonial Prime Ministers, however, were not discouraged. Nor did they remain silent on the subject. They put into the record of the Conference resolutions favourable to Empire preferences. And Sir Wilfrid and his colleagues buttressed the resolutions with statements on behalf of Canada in which the trade advantages freely given to the Mother Country in 1897-98 were pointed out and the benefits which had accrued therefrom were impressed.

The resolutions are as follows:

1. That this Conference recognizes that the principle of preferential trade between the United Kingdom and His Majesty's Dominions beyond the seas would stimulate and facilitate mutual commercial intercourse, and would, by promoting the development of the resources and industries of the several parts, strengthen the Empire.
2. That this Conference recognizes that, in the present circumstances of the Colonies, it is not practicable to adopt a general system of free trade as between the Mother Country and the British Dominions beyond the seas.
3. That with a view, however, to promoting the increase of trade within the Empire, it is desirable that those Colonies which have not already adopted such a policy should, as far as their circumstances permit, give substantial preferential treatment to the products and manufactures of the United Kingdom.
4. That the Prime Ministers of the Dominions respectfully urge on His Majesty's Government the expediency of granting in the United Kingdom preferential treatment to the products and manufactures of the Colonies, either by exemption from or reduction of duties now or hereafter imposed.
5. That the Prime Ministers present at the Conference undertake to submit to their respective governments at the earliest opportunity the principle of the resolution, and to request them to take such measures as may be necessary to give effect to it.

And the following significant statement follows in the record:

The representatives of the Colonies are prepared to recommend to their respective Parliaments preferential treatment of British goods on the following lines:

Canada—

The existing preference of 33½ per cent, and an additional preference on lists of selected articles—

- (a) by further reducing the duties in favour of the United Kingdom;
- (b) by raising the duties against foreign goods;
- (c) by imposing duties on certain foreign imports now on the free list.