

nation immediately do without knowing the principles of economics as my hon. friend and myself understand them? The nation says nationally: If we increase our imports too greatly at this time, and if our exports do not increase sufficiently to meet them, unless we are borrowing, what will happen? We must export gold. My hon. friend the member for Red Deer knows that just as he knows the tables in mathematics. That is axiomatic. And what is the feeling underlying the instinct of the Canadian people in favour of this movement? It is that at this time—I do not say another time, because the movement has taken form at this time—what we can manufacture in Canada to advantage we want to manufacture in Canada in order that we may be able to keep our establishments going, maintain our staffs, keep our operatives employed and add to the general prosperity of the country. Is there anything wicked about that?

Mr. CLARK: Only stupid.

### LIBERALS CALL IT STUPID.

Mr. WHITE: The hon. gentleman passes a very serious reflection upon a number of very worthy people in this country in saying that those who are in favour of made-in-Canada goods at this time are simply stupid. I do not think they are stupid at all.

My right hon. friend (Sir Wilfrid Laurier) referring to the tax on banks and trust companies, spoke with a great deal of humour about our touching the epidermis of the banks and trust companies. Now, I will ask him, and I will ask the hon. member for Red Deer who is to follow me, a question: We are taxing the Bank of Montreal about \$150,000 a year; we are taxing the Bank of Commerce about \$135,000 a year; we are taxing the Imperial Bank about \$60,000 a year; and other banks in proportion. If my right hon. friend the late Prime Minister was of the opinion that that is good legislation and mild legislation as a taxation measure, will he explain to the hon. member for Red Deer why it was that in the year 1904 he raised the British preferential rate on woollen goods from 23 1-3 to 30 per cent. If it was a revenue measure, he would have derived more revenue from adopting the course I have adopted. Why, he actually raised the British preferential rate upon granite headstones, so that those that a man left behind after he had gone to the grave would have to pay a heavier tax upon their importation from Great Britain.

The right hon. gentleman spoke about our tender treatment of the distiller. Why, he asked, did you put on an increased customs duty without putting on a compensating excise duty? In his airy fashion he had overlooked the fact that we are imposing higher taxes upon the distiller for all the raw material he uses, including coal, and also upon the machinery which turns out his product.

### INCREASE THE BRITISH PREFERENCE.

The right hon. gentleman talks about the British preference, about the Government and about hon. gentlemen on this side never having been in favour of the British preference. Who brought forward the idea of a British preference? He knows as well as he knows that he is sitting in that chair that, although we have raised, as I shall show we were bound to raise, the British preferential rate, we have increased the preference or advantage to the British manufacturer. Let me give a simple illustration that my right hon. friend will not fail to understand. Let us assume that upon a certain line of goods the general tariff previous to my bring-