

involve her in a commercial war with foreign countries. Mr. Chamberlain, at the conference last year, put a low estimate on the value of our preference of 33½ per cent, and did not consider it equivalent to a preference in our favour on breadstuffs to the extent of even four per cent. That is, a preference by Canada of 33½ per cent on all her imports was not equal to a preference of 4 per cent on a partial list of imports into Great Britain. I confess that, when this breadstuff tax was put on in England, I anticipated without doubt that exception would be made in favour of Canada. I assumed, as a foregone conclusion, that we could expect nothing less; and I confessed to a feeling of great surprise when the result proved that the English government did not intend to give us that 4 per cent preference on breadstuffs as a return for the 33½ per cent preference which we gave on all our imports from Great Britain.

I imagine, nay I am almost certain, that there is a reason which does not appear upon the surface, and that reason is, not that Great Britain did not desire to do this, not that the rulers of that country felt that it would be an undue concession to us; but I imagine the reason is that it was not considered prudent to do so, that it was known that if this were done it would result in hostile action upon the part of foreign governments. And so we had in this small matter of a four per cent preference and England's declaration to give it to us in return for a 33½ per cent preference, a proof that England will be deterred from any such action as granting to Canada a preference, by considerations outside of the matter of her trade relations with her colonies. Mr. Chamberlain, in the course of his remarks so far as we have them, asserted that our preference had been a matter of small consequence anyway, that it had not to any appreciable extent stimulated trade with England. Well, I beg to differ with Mr. Chamberlain in this matter. This preference has had two effects. In the first place, it has arrested the decline in our trade with England, a decline which was making rapid progress when this preference was adopted. In the second place, it has led to an expansion of that trade, and a brief examination of the returns will prove this beyond peradventure, as the following figures of our imports from Great Britain will show:

Year.	Imports.
1892..	\$43,148,000
1894..	38,717,000
1895..	21,131,000
1896..	32,500,000
1897..	29,412,000
1898..	32,500,000
1899..	37,060,000
1900..	44,789,000
1901..	48,000,000
1902..	49,250,000

We had gone down from \$43,000,000 to \$29,000,000 before this preference was adopted, between the years 1893 and 1897;

and we had gone up from \$29,000,000 to \$48,000,000 between 1897 and 1902 after the preference had begun to work, showing an increase of \$19,000,000, or 40 per cent in those five years, against a rapid decrease in the preceding term which these figures reveal. Now, this proves that Mr. Chamberlain is wrong, this proves that there was a decline in trade with England, that that decline was progressive and regular. These figures prove that the preference, or something else, arrested that decline, and that there set in an expansion, which amounted to \$19,704,000 in five years. Surely Mr. Chamberlain should have been satisfied with this record, and certainly he was not possessed of the facts with regard to trade when he made the assertion that the Canadian preference was a matter of small moment to England, and had produced no tangible results worthy of consideration.

The idea of English statesmen, Mr. Speaker, is one that, in my opinion, we can never meet. I assert again that it is my firm conviction that we should never have given a preference, that one in return cannot be given, that the condition of England's trade with foreign countries renders it impossible for her to do it, and regard for her own interest will prevent her doing it. But there is an idea abroad about a Zollverein, free trade within the empire. Well, we could arrange matters probably upon that basis, absolute free trade, the admission of all British products to her colonies free of duty. But, if that is a scheme that meets with the approbation of the British people, it is one that cannot be wrought out. In my opinion, we can never accept it, certainly we cannot accept it under present conditions. I do not believe we ever can. It is not a matter, at all events, that looms up in the near future as one that can be arranged.

Now, with regard to the preference on grain, amounting in round numbers to four per cent, I assert, Mr. Speaker, that the free admission to the American market for our wheat and other cereals would be worth more to our producers than an English preference of four per cent. I assert that the free introduction of American competition on the part of American grain buyers and millers with our own grain buyers and millers, to the wheat fields in the Northwest and to other portions of Canada, would result in greater advantage to our producers of grain than a preference in the English market to the extent of their tax upon breadstuffs would do. I think that we may conclude that our aspirations for an advance in the form of a preference will never be realized, if we come up against the hard-headed common sense of English statesmen and public men, who realize that it cannot be given. She will not permit a considerable tax upon raw material. The competition between England and her commercial rivals is too keen; the competition with Germany, the competi-