

that which existed before, and, if it is a wise arrangement, we make it possible for our own productions and our own trade to have a favored place as contrasted with others in the markets of that country—we make an opportunity for our business men to do better work and accomplish better results. That is what we are trying to do, and today in the wide world we have given a preference to Great Britain, but have received none in return. We have given a preference to South Africa, and in return we get a preference of an average of about 3 p.c. on Canadian articles going into South Africa, at least on a wide range of our products. We give a preference to New Zealand and get a rather significant preference from New Zealand in return. We have lately arranged for a preferential trade between ourselves and certain portions of the West Indies. When that comes into effect, as I believe it will at an early date, we shall be placed in the position where not only do we give, as we have given for 15 years, a preference in our markets to the West Indian products, but we shall be in position to gain a preferential entrance into their markets.

We shall have thus embraced in one form or another the whole British world in a circle of preference, with the exception of Australia, and at the present my Department is negotiating with Australia, a course which I believe will sooner or later end in preferential arrangements between Australia and ourselves.

When all these things are considered it will be seen that the Government has taken a pretty decided step and done a pretty good measure of work in getting this preferential position in the markets of those countries to which I have alluded. We can do that.

But the Government can do something more. Taking ourselves and the West India Islands for example the Government can, when the opportune moment comes, as I believe it will sooner or later, when traffic arrangements are perfected to a degree that will permit of it, so arrange that preferential goods between the West Indies and ourselves shall find their way to each country by direct shipments, and not have to go through foreign countries. Anyone who thinks of it for a moment will see the advantage to the trade of the country from that circumstance. But we are not prepared to even recommend that until traffic conditions are so favorable that the advantage would be entirely in favor of such a policy.