

There are other commercial treaties under consideration.

In the Governor General's Speech the Government states that the principles sanctioned by the Canada-United States agreement, if extended and applied vigorously and steadily, will help to check the excessive tendencies toward economic nationalism, which is gradually lowering our standard of living and embittering the relations among peoples throughout the whole world.

That means that our foreign trade—strongly on the decline for some years past—will grow larger and larger. Fortunately, we have had in these last few weeks indications of such growth. During the month of December the exports reached a total of \$68,419,223, and the imports a total of \$38,569,182; the latter showing a slight decline as compared with December, 1934, and the former an increase of \$7,000,000. The favourable trade balance in December last increased from \$22,167,975 to \$29,850,041.

Commercial reports and financial newspapers state that agriculture generally is more prosperous than it has ever been in recent years. On the whole there has been a rise in the prices of farm products, in some cases a decided rise, and the prices for cattle have kept up to a satisfactory level.

We have reason to hope for most happy results, in all spheres, from a constructive programme based on goodwill. In the first place the goodwill of the Government; the goodwill also of all Canadian citizens, goodwill of all countries with which we want to live on good terms by means of mutual, rational and reasonable concessions.

Without going into the history and development of the Liberal method, or rather principle, through all its phases in Canadian politics, I may be allowed to say that the programme of the present Government, as summarized in the Governor General's Speech, and already in course of realization, prepares for the future, while keeping bright the light of the past.

Evolutions, changes, adaptations and concessions are the characteristics of politics in this country, as everywhere, resulting often in such minglings and interminglings that sometimes lines of demarcation become imperceptible. Certain blendings of economic programmes and social reforms have given rise to such confusion that people have wondered what were the characteristic principles of the policies dividing public opinion.

To ascertain this it is necessary to go back to the fundamental ideas by which minds are classified. There are men of Conservative

Hon. Mr. PREVOST.

minds and men of Liberal minds; but one must guard against judging them according to the political party in which they have been placed by circumstances, often independently of their choice. There are men of Conservative mind in the Liberal party; and there are men of Liberal mind in the Conservative party. But they constitute the exceptions, and that is understood in the correct definition of Liberalism. The Liberal conception is taken here in its broader sense, meaning action as opposed to reaction, reasonable emancipation of the mind from bondage, progress as opposed to stagnation, education as opposed to ignorance, the allowance of all legitimate liberties, tolerance, opposition to all fanaticism, and an abiding respect for what is just and right.

In such a light Liberalism predominates over all considerations of race, creed, and even political party. That is why Laurier said: "In the heart of all men are to be found principles of eternal truth and unalterable justice, and it is upon these principles that we Liberals must always base our rights and our duties."

The wisest policy is that which is not doctrinaire to the extent of refusing to adapt itself to circumstances, and is not willing to sacrifice the interests of the country for a theory which too often is but Utopian.

Governments must take cognizance of the needs of the people and act accordingly. It will be said that this is opportunism. Undoubtedly. But opportunism is of two kinds: one, contemptible and vile, the changing of heart and mind according to personal advantage; the other, which is of the essence of politics properly understood, a willingness to accept inevitable and honest compromises in order to reach as nearly as possible the end aimed at, which it is so hard to attain at the first attempt. It is by applying such principles and taking its inspiration from the Liberal conception, as I have just defined it, that the Government will rally around itself all men of goodwill for the realization of a useful and beneficent policy.

Are we to allow the suffering from the depression, the economic hardships which have enveloped us for several years past—in a word, matters of money and finance—to be our sole concern? That would be to deny the truth that the world-wide depression is as much a moral question as an economic one. On looking over Canada it is quite obvious that we all desire the protection of our material interests, the progress of the country, the restoration of our finances, the expansion of trade, etc., but, observing also the Canadian mind, I am strengthened in the conviction that the national sentiment which should