

prosperous. We know that all classes have prospered in Canada of late years, and it is an interesting fact that manufacturers have shared in the largest degree of that prosperity, for they have held their home markets to a large extent; they have all or nearly all been busy, and their shipments to foreign markets have been constantly increasing. Therefore, even from a manufacturers point of view, we think the situation is not so bad. There may be a necessity at some early date to make further tariff changes than those which I now propose, but if so the extent to which these changes should be made and the character of the changes may be in a considerable degree dependent upon the attitude of certain other countries towards Canada; certain countries as to which we are not to-day in a position to say exactly what they may be disposed to do now or in the early future. I suppose it will be generally admitted that while we are anxious to improve our trade relations with the world at large, there are two countries with which we naturally have or would like to have intimate trade relations. The one, it goes without saying, is our mother country; the other is the neighbouring republic, because they are so near to us and so closely identified with us in many things that we must desire to have close and friendly relations with them.

Now with regard to the trade relations with the mother country. We decided several years ago to grant a preference to the mother country in the markets of Canada. There has been a desire among both parties, among all classes of the people of Canada, that that preference should be reciprocal. We do not differ in that. All will admit that if that could be brought about, it would be a desirable thing for Canada, and we hope for the mother country as well. But we have had different ideas as to the best means of accomplishing this. We have been criticised by hon. gentlemen opposite because we gave a preference to the mother country with at demanding something in return. We have thought that our view was the better one. We thought that under the circumstances in which we were then placed that it would not only be useless but harmful to have pressed a demand upon the British government for a return of the preference.

In this, Sir, we were not speaking our own views alone. Members of this government had the opportunity to communicate with able, experienced and influential men in the Imperial parliament, and the conclusion we reached, after such communication, was that the time was not favourable for pressing a claim of that character. At the same time we quite realized that these are days in which changes rapidly occur; and in the discussion of the question in this House, we have repeatedly said that it was quite within the bounds of possibility, and even probability, that at no distant day some change might be brought about in the attitude of the British government and the British people on that subject. Hon. gentlemen opposite have frequently endeavoured to assure themselves and others that the Imperial authorities were ready and willing to give us a preference. We remember how it was stated that Mr. Chamberlain had practically offered us a preference, and that we had declined to have it. We remember how it was said that the Duke of Devonshire had also practically offered us a preference, and we had refused it. All these things, however, were mere fables. Mr. Chamberlain made no such offer, and the Duke of Devonshire, when appealed to, flatly denied the views attributed to him. It was quite evident that we had nothing to expect in that way; but a change might come, and it did come sooner than we had reason to expect—not a change, however, which took the form of any preference to the colonies. In the midst of a great war, in a time of financial strain upon the Imperial treasury, which still continues, the British government adopted the policy of a tax on breadstuffs. That change on the part of the Imperial government produced a new situation of which we have not failed to take advantage. It was one thing to propose, as our opponents did in 1897, that the British government should tax the food of their people for our benefit, in order to grant an exemption of Canadian goods from the taxation. It was too much to expect that the British taxpayer, in the then state of public opinion, would be willing to adopt the policy of preference. It was a very different thing, however, to propose to the British government, not that they should tax the food of their people for the sake of the colonies, but that they