

allowed to pursue its course without restriction, exchange conditions will tend to correct themselves and will in process of time correct themselves. If there is a heavy discount against our

9 p.m. money in the United States, that will tend to foster sales of Canadian goods to the United States, because their money being worth more than our money, we shall be able to sell in the United States more cheaply than we otherwise could; while, if there is a heavy premium against our money in the United States, that will tend to reduce our purchases in that country. These things will be worked out if the law of economics is allowed to have play.

Although governments and individuals may endeavour to interfere with the laws of economics, they can no more successfully interfere with those laws than they can make water run up hill. It follows, as the night the day, that sensible people will buy where they can get the best value for their money and sell in the market where they can get the best price for their goods. Why do I support this amendment? Because, if we could get this reciprocity, limited as it is, in the markets of the United States, we would confer an inestimable benefit on the producer of foodstuffs and other natural products in our country. Once you follow a policy that helps the producer of natural products in our country, those who till the soil, those who reap the harvest of the sea, the mine and the forest, you help every legitimate industry in the country. You cannot help the producer of natural products without helping the manufacturer, the man engaged in transportation or banking or any other department of distribution. There will never be a single dollar's worth of goods bought under reciprocity in the United States unless the Canadian buyer can get better value for his money than he can by buying at home. There will never be a thing sold in the United States under reciprocity unless the Canadian producer can get in the United States a better price than he can at home. This will mean that, as regards the natural products of this continent, you will have one economic area and in that economic area, so far as the matter is not affected by freight rates which have a great deal to do in commerce in natural products, the labour and capital of the continent will be applied to those activities which will bring forth the greatest economic return.

This is a policy not only for the West but for the East of Canada. One of the

greatest centres of population on the North American continent, and I think I may say in the whole civilized world, is that great group of cities centring around New York and containing the manufacturing cities of New Jersey and New England. Get a map of North America; place one leg of your compasses on New York; measure off five hundred miles and swing around the circle; what do you find? Within that circle you will find the whole of Nova Scotia with the exception of Cape Breton, the whole of New Brunswick, the whole inhabited part of Quebec, the whole of Ontario as far west as Sudbury. Complete your circle and outside of it you will find seven-eighths of the United States. The question will therefore be one of freight rates and it must be remembered that a great deal of this territory is served by water communication. If this policy is adopted—and sooner or later it will be adopted, because the intelligent population of the North American continent will not allow their economic advantage to be interfered with by tariffs drawn up by men—this will mean that within that circle Eastern Canada has an advantage over seven-eighths of the United States. I ask those who have the well-being of their country at heart to join with the hon. member for Shelburne and Queen's (Mr. Fielding) and to support this amendment which offers not only economic benefit to ourselves but economic benefit to our great neighbours to the south of us, with whom the destiny of this country demands that we should be friends in every sense of the word. If there be one principle of policy which should determine our foreign relations in this country, it is lasting, hearty friendship with the people of the great republic to the south. Let us trade with them as far as we can; let us do everything we can to better relations.

Let me, just in closing, take up one argument which was advanced by the Minister of Finance (Sir Henry Drayton) not only in this chamber but elsewhere. He is constantly saying, we must not buy as much as we are doing in the United States. Certainly if we can cut off useless luxuries, whether they come from the United States or anywhere else, we should do so as patriotic citizens, but does he suppose it would be wise to cut down the \$192,000,000 worth of iron and steel that we bought from the United States last year, or the \$127,000,000 of cotton which came into this country largely in the form of raw cotton for our manufacturer? I do not