

transferred from the United States to Great Britain a purchasing power running into many millions of dollars. This was not any loss to Canada, it was a distinct gain to our country and a distinct gain to Great Britain as well. The attitude of approach was one of showing Great Britain by our actions that we were anxious to trade with her, realizing as we did that she had always given us absolutely free entry into her markets and an equal position in competition with her own people. We said: This will be our position as we approach the imperial conference. I venture to state that if the Liberal administration of that day had sent its representatives to that conference we would have come back from Great Britain with very substantial returns because of that particular attitude. The people of Canada will be anxious to get something out of this conference, and so I plead with my right hon. friend that he adopt—I will not say the attitude adopted by the Liberal party, but the attitude of making a gesture in advance which would assure Great Britain of our good will—the British attitude, if he prefers that term—the Liberal and the British attitude are synonymous—and make it perfectly clear by the action taken with respect to different parts of the empire that he wishes to have more in the way of freedom of trade between them.

I think I have made clear the position of the Liberal party in connection with this conference. We hope that the government will so arrange matters as to make possible much more in the way of freedom of trade between all parts of the British Empire. We believe in trading as much as possible within the empire. May I point out that the Liberal policy always has been since the days of Laurier and Fielding one of world trade plus British preference. That is the broad policy on which we stand. We do not believe in restricting trade solely to the British Empire; we believe in trading with any country that will trade with us. While our policy is one of world trade, the expansion of trade on a world scale, we intend to give a preference in our tariffs to those countries which form the British Empire.

May I point out the wisdom and necessity of a policy of that kind. It bears on one thing which my right hon. friend said when speaking recently in Toronto. He pointed out that Canada was the fifth largest trading country in the world—it came to that position under a Liberal administration. He pointed out also that Canada was exporting per capita more in the way of manufactured goods than any other country in the world except New Zealand.

[Mr. Mackenzie King.]

Mr. BENNETT: Not manufactured goods, all goods.

Mr. MACKENZIE KING: I will go one better and say that I believe that as regards manufactured goods Canada exports more per capita than any other country in the world. So far as our manufacturers are concerned they did not suffer under Liberal policies. If you are exporting per capita more manufactured goods than any other country, if the per capita trade of your country is the second largest in the world, what more for manufacturers can you ask from tariff considerations to help the advancement of trade? The fact that this country is in that position means that there is something like two million of our people who are dependent upon external trade. That is to say with those who are engaged in those industries which are exporting and with those who are dependent upon them, at least two million of the people of Canada depend upon what we can get out of foreign trade. Their market is the world and it is all-important that if possible matters should be so arranged that these people are enabled to hold the market they already have and to acquire new markets.

My right hon. friend has said that the tariff is an instrument to deal with industry, that what we need is fair competition and equal opportunity. I agree with him entirely as to the need for fair competition and equal opportunity; but the trouble is this, that when he speaks of fair competition and equal opportunity, he has in mind only one class in the country, namely, those who are engaged in the work of manufacturing. That is to say, if we are to judge him by his actions with respect to the tariff, he says: I will so arrange the tariff that the home market will be exclusively secured to the manufacturers here, and in doing that he puts up the tariff to a point at which he shuts out all possibility not only of competing trade but much of all trade. No country can have trade one way all the time. Sooner or later imports have to be paid for by exports and exports by imports. Otherwise you cannot trade; and when you shut off the possibility of trade between any two countries, you soon begin to lose for your manufacturers that very home market which in other ways you are trying so carefully to conserve for them. In other words, the home market so far as Canada is concerned is not a locality. The home market is purchasing power. The home market is the purchasing power that comes to the people of Canada from whatever source it may come. When you consider the great primary industries of agriculture, mining, lumbering,