

My hon. friend dealt with the question of foreign trade, and implied that the figures of foreign trade did not altogether reflect credit on the government. I would ask him this question: Does he think that the condition that existed at the time the previous Liberal administration came into office, when there was a larger amount of imports than exports, was a better condition than that which prevails at the present time, when our export trade exceeds our import by some \$400,000,000? That is the difference. I confess, if there is any advantage at all in a large favourable balance of trade, that advantage has been steadily growing to the credit of the Liberal administration.

My hon. friend also said that all of the treaties that had been made since the Liberal administration had come into office had been against the interests of this country. I fail to see how he arrives at any conclusion of the kind. He spoke of the Australian treaty, and seemed to imply that because Australia had increased her exports to Canada somewhat, that therefore the treaty was not of as much advantage to us as it is to Australia. He did not draw the attention of the House to the fact that our exports to Australia are at least four times as great as the exports of Australia to this country, which is the fact. He said nothing about that whatever. He drew attention to the circumstance that relatively there had been some slight increase in the export trade of Australia to Canada. May I say this to my hon. friend: It was only with the greatest difficulty that our government was able to get an agreement with Australia at all, for the simple reason that the Australians felt that the balance of trade was so favourable to our country, and so lacking in favour to their own. If we had not that agreement, the certainty is that instead of exporting to Australia the large amount of material wealth that we do to-day, we would be exporting very much less.

The point I wish particularly to take exception to in my hon. friend's remarks is this. He seems to think we must always, in order to have an advantage out of a trade agreement, be exporting more than we are importing, and that such must be our position in relation to all countries that we do business with. I would ask him, what is the purpose of trade at all, if it is not that a man may obtain something he already has not and give in exchange for it something that he has? If a man has gold and wishes to buy something that is produced in another part of the world which he cannot get in his own country, surely he is the gainer if he buys

[Mr. Mackenzie King.]

that article, and gives gold in exchange. He does not trade unless some advantage is to be gotten out of it. My hon. friend since he has been in the society of hon. gentlemen opposite has been so closely associated with one particular group in the community that he has forgotten altogether the multitude that represents the country as a whole, namely, the consumers of the country, all of whom are entitled to get some advantage out of a trade agreement. My hon. friend led the House to assume that Canada's trade was of such a character that she was for the most part, parting with her raw materials when she should be keeping them, in order that her manufacturers might be in a position to supply the home market with manufactured goods, instead of buying them abroad. That particular argument might have had some force and weight if it had been addressed to his own following at the time they were in office prior to 1922, because at that time the excess of imports of manufactured goods into Canada over exports from Canada was something like \$264,000,000. When the present administration came into office the excess of imports of manufactured goods into Canada over the export of manufactured goods began steadily to decrease. In the fiscal year ending March 31, 1922 the excess of imports over exports was \$120,000,000. In 1923 the excess of imports over exports of manufactured goods had fallen to \$59,000,000. In 1924 it had fallen to \$47,000,000, and in 1925, instead of there being an excess of imports of manufactured goods into Canada over exports, Canada actually exported more than \$15,000,000 worth of manufactured goods more than she imported. I have not the figures at hand for this year, but I am quite sure in my own mind that they will show a still further increase in the value of manufactured goods exported from Canada over the value of manufactured goods imported into this country.

My hon. friend sought to derive a little amusement for himself and his followers and a little consolation as well by drawing attention to the fact that in the present administration there were seated "cheek by jowl" as he expressed it, gentlemen whose views on tariff matters at some previous period may have represented shades of opinion that were not identical. I confess that every government of necessity must be composed of men who have different interests, but when men enter a government they give up a consideration of their own special interests, or the interests solely of sections of the country they represent, and become of common accord on matters of governmental policy, in an effort