

opportunity which wisdom and patriotism demand should be availed of:

Therefore be it resolved that it is the opinion of this House:—

(a) That the increases of duties of 7½ per cent and 5 per cent enacted by the statute 5 George V, Chap. 3 should be repealed:

(b) That the offer of reciprocity contained in the reciprocal trade agreement now upon the statute books of the United States of America should be immediately accepted in its entirety, and that legislation for that purpose should be introduced forthwith;

(c) That without derogation from the provisions of paragraph (b) hereof, all staple food and food products not now free (with the exception of luxuries), and domestic animals and foods therefor should be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty;

(d) That without derogation from the provisions of paragraph (b) hereof, all farm and garden implements, machinery and tools, including farm tractors; all mining, flour and sawmill machinery and repair parts therefor, as well as the raw material entering into the same; lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free lists—it being understood that the tariff benefit proposed to be conferred upon raw material entering into the manufacturing of the articles above set forth may be granted by way of rebate or drawback; it always being provided that in the event of any difference of duty existing under the provisions of different parts of this resolution, the lower duty or freedom from duty prevail.

(e) That having regard always to the requirements of the public revenue and the necessity of affording reasonable opportunities for adjustment to those affected by the proposed changes, substantial reduction should be made in the tariff with the object of reducing the burden upon the consumer in respect of the prime necessities of life, and with the object of delivering the consumer from the bondage now imposed upon him by the exactions of monopolies, trusts, and combines.

Mr. McMASTER: Possibly I can best introduce what I have to say in explanation and support of this resolution by taking up one by one the various matters embraced in the resolution. I presume it would be well for us in this discussion to find out the greatest common ground on which we are all agreed, in order that the points on which we differ may be clearly set forth. I presume there will be little difference of opinion as to the first clause of my resolution, namely, that the exigencies of the financial situation require that the labour and the capital of this country should be devoted to those lines of activity which will produce the greatest wealth. Where we may differ is in the means whereby this labour and capital can be so applied. A belief which I have cherished for many years is that people generally know their own business better than any government can, and that under the dual influences of free competition and personal initiative and energy,

the greatest possible wealth will be acquired. This is always subject to two main exceptions. I take it that it is the duty of the State always to interfere in free competition when one of the parties to an economic bargain cannot protect himself. I believe it is right and proper that the State should interfere to protect women and children who happen to work in factories. I also believe there are certain great natural monopolies and perhaps certain great artificial monopolies which are properly the concern of the State and not of the individual, but with those two exceptions it is my belief that, by allowing people as much as possible to carry on their business in their own way, we shall create most wealth in Canada.

One of the main objections which I have to the protective theory is this: that the Government undertake to direct the labour and capital of the country into certain channels, and the Government is more often wrong than right.

The next point which I wish to bring before you, Mr. Speaker, is that which I have placed in the second paragraph of the resolution: Whereas it is advisable in the public interest that taxation should be borne by those most capable of sustaining the burden, and that the proceeds of taxation should reach the national exchequer, and should not be diverted into the hands of monopolists or trusts or into the hands of the privileged classes of the community which have a direct interest in the incidence of taxation.

That is sound doctrine, and I believe it will be appreciated, though not, perhaps, as fully as it should be on the other side of the House as well as upon this. The next clause merely states a fact—a fact which, perhaps, some people in Canada may have forgotten. The reciprocal trade arrangement—that great and beneficent piece of public work framed by the hon. member for Shelburne and Queen's (Mr. Fielding) and the late lamented Hon. Mr. Paterson—is yet open to the Canadian people to accept. It is only necessary for this Government to introduce legislation to have this beneficent arrangement come into effect.

The five steps which I ask this House to agree with me in thinking the best steps to be taken under the present circumstances are: First, the repeal of the statute 5, George V, chapter 3, which places certain increases of duty upon the statute book—an increase of 5 per cent on goods coming from Great Britain, and an increase of 7½ per cent on goods coming from other countries.