

the section. Further, the section provides that they shall indicate what increases or decreases may be necessary in the rates of duty. That ought to be the function of the government and of parliament. It is not something for an outside body to determine. I think we are delegating to an outside body responsibilities which we should assume as members of parliament. This delegation of the duties of parliament to such a body is something which ought not to appear in a tariff measure. When it comes to determining cost of production, I would point out that it is almost an impossible task to ascertain the cost of production in Canada alone, to say nothing of the rest of the world. Objection has been made in Manitoba to the importation of cheap goods from the province of Quebec. How will you deal with such a question? Suppose a manufacturer from Manitoba says, "I want this tariff board to inquire into wages paid in the province of Quebec, with a view to reducing the duty on textile goods coming into the Dominion." What would be the effect? Right away we are up against the wall of provincial jurisdiction. The federal government may have certain powers, but the question of wages, hours of labour, and so on are questions entirely within the provincial jurisdiction. And I imagine that if an attempt were made by the government through the tariff board to lower the duties and this board went into the province and asked for the production of documents with respect to wages and so forth, the corporation would be within its rights in refusing to submit such documents to them. The immediate result would be a conflict in jurisdiction between the federal and provincial authorities. I have no objection to that, but I would far sooner have the Prime Minister take the stand he took last year as leader of the opposition. He then made certain statements which I believe he would still stand by. He said that there should be no protection accorded industries unless they carried out in principle the ideas embodied in the treaty of Versailles. Let me quote a few words of the Prime Minister, uttered on May 21, 1930, to be found on page 2373 of Hansard, as follows:

Now in my conception of protection as applied to the fiscal policy of a country, it is always understood that we shall maintain decent standards of living and reasonable hours of labour which certainly must not violate the condition under which we signed the great world-wide treaty of peace. That being so, what has been suggested in this house to-night is that inasmuch as we are increasing the measure of protection to industries to enable Canadian development to proceed upon orderly lines and upon equal

terms with its competitors in other parts of the world, we should also maintain at least those reasonable standards of living and hours of labour that obtain in communities that are our competitors. The Conservative party has always advocated a measure of protection and the advocates of protection have always put forward the arguments that I am now submitting to the house.

I could go on quoting at considerable length from the statements made last year by the Prime Minister. At that time he claimed that there would be no increase in the duties then given to the steel industry of Nova Scotia unless it was prepared to give to those employed reasonable conditions of labour and living. According to this clause it is intended to hand over to the board the making of certain inquiries, although it will be doubtful whether the board has the power to make them. The board will be making inquiries which will necessitate its going to all parts of the world in order to obtain the necessary information. While I believe the board should have certain powers and functions, it should be made possible for it to accomplish that which it is asked to do. I am afraid that so much is being put upon it by this clause that ultimately the law will become a dead letter.

Mr. YOUNG: Mr. Chairman, it seems to me that clause (b) of subsection 1 of section 4 marks a new departure in the framing of tariffs. It sets up a new principle that where an industry labours under a handicap, natural or otherwise, it is the duty of the government to offset that handicap by means of a tariff. By adopting such a principle I can see where we will encourage in this country the most exotic industries. There is no doubt that we could grow oranges in Canada. They could be grown under glass at a profit if the tariff were high enough. The vast majority of our people would never be able to have oranges, they would not even have the opportunity of seeing them in the shop windows—only the very wealthy people could purchase them—but we would be establishing an industry. Our modern industry and our modern standards of living are based upon the division of labour, the allotting to those who can best do a thing the doing of that thing; the producing of commodities in the particular districts or localities where they can be produced most economically. It is by the adoption of this principle that the present standard of living has been built up and that the world is able to sustain its present population. Under this bill we abandon that principle and we say that it does not matter whether the country is naturally adapted for the producing