

The fiscal policy of the government—not Toronto, or Ontario—is responsible for unemployment. The policy of the government in reducing tariffs on manufactured articles, and in the non-application of the valuation of articles entering the country for duty purposes, has been responsible for a tremendous influx of manufactured goods, and also for the entry of large quantities of goods which have been dumped into Canada, on account of the drop in prices in the United States.

Every time a manufactured article, the like of which is produced in Canada, enters and is sold in Canada, it takes the amount of labour required to produce it away from the citizens of Canada, Ontario and Toronto. If labour is taken away from the workmen of this province, it must take employment from our workmen. This means more unemployment. If the government insists upon allowing this entry of manufactured articles into the country, it is responsible for the resultant increase in unemployment. The city of Toronto depends on industry, on industrial employment, for the welfare of its workers. Therefore, if the workers of Toronto are unemployed, it is the responsibility of the federal government to see that they are adequately maintained.

Canadian manufacturers have told the government that if they had the advantage of their own markets they could employ thousands more workers, without increasing prices, and that they could, in fact, reduce costs and improve continuity of employment. They have also informed the government that further reduction of tariffs will increase unemployment and lower wages. If sections of the country are to have lower tariffs, people in the east will have to have compensation.

The city of Toronto is unable to collect sufficient money by taxes. Properties are assessed too highly and taxes are too great. The position is becoming such that instead of property being an asset, it is becoming a liability. Government bonds give almost as great a net yield on the capital invested; and there is no incentive on the part of individuals to risk their capital. As a consequence, building is at a low ebb. The slum situation is serious. Fine, large buildings have been torn down to save taxes, with a consequent loss of revenue to the city. Toronto is not the only municipality that is in the same position. What a deplorable state of affairs!

The proposal of the government again to lower the tariff on articles imported into Canada from the United States through a revision of the Canada-United States trade agreement, the prospect of having these items

[Mr. D. G. Ross.]

bound for a period of years and the general uncertainty in this respect have had the effect of slowing up the manufacturing industries of Ontario ever since the first rumours became prevalent in September or October of 1937. It is ridiculous to think that manufacturers with millions in capital involved, entrusted by thousands of shareholders and having pay-rolls of millions for thousands of workers, should be unable to gather one iota of information with respect to the contemplated changes in tariffs affecting them. These items may be bound for years.

How can a wise manufacturer make plans for the running of his plant during 1938 when all these rumours are abroad? If he has been considering extensions to his operations which would benefit his workers, he certainly would not act under conditions as they are to-day. It is common knowledge that those in charge of industry are not acting—they cannot. This is also true: They should be able to act. But the policy of this government has tied their hands. What about 1939, 1940 and 1941? They should be able to plan for the future. And is this all?

What security is there for the workman in these circumstances? Can he give his best to his employer when he is constantly under this apprehension? Is he working for the future? When can he hope to have his new home? When can he hope to have his old one paid for? How can he hope to improve his standard of living beyond that of a mere day to day existence? How can he budget for the future? How can he save? What can he hope of the future? No wonder there is apathy when it originates here. What are all these rumours about? They are about the contemplated revision of a trade agreement.

We are to give something away in return for what? Trade with one of the most unstable nations of the world commercially, a nation with large inventories, a nation with more than ten million workers unemployed at the present time, a nation with its own house in great disorder economically. I ask you: What stability commercially can we expect from such instability? We do not want periods of great prosperity followed by periods of severe depression. We would do better if we stuck to our knitting and minded our own business. Are we trying to bargain with them to take something they do not want, or is it something that they must have and for which we do not have to bargain?

Mr. HANSON: Mr. Speaker, I rise to a point of order. I have sat in this house since 1930; my English is poor and my grammar is terrible, but when I have tried to read a