

relies on the price charged to the home consumer to give him a profit on the whole of his sales, domestic and foreign alike. There is no other meaning to be taken from the manifesto of the Canadian implement manufacturers, and it is the same with the rest of the manufacturing industries too. I say that this is a regular feature of the protective tariff, that the cost of manufacturing is driven to such a height in this protected country that the class that is unprotected is exploited by high prices to ensure a profit for the manufacturers at home and abroad.

Now I want to speak for a short time on another feature of the tariff, a feature that throughout this country is not as well understood as it should be, and that is the dumping act. After the capitulation of the Liberal party in 1897 they soon became fast friends with their old enemies, and between them they evolved new methods to further the interests of the protectionists, or I might say, to further the interests of the paternalism of self, and in 1904 the dumping act was evolved. Now, just as the Tariff act was amended in 1922 for the sake of the British Columbia apple growers, so in 1904 the dumping act was added to the Tariff act for the sake of the steel industry of that time. The steel industry had not been long established, and notwithstanding the fact that they needed an anti-dumping measure in addition to all the privileges which they had enjoyed previously, the Canadian Steel companies are notorious to-day as the greatest dumpers of goods in the foreign countries of the world. At that time the people of Canada were paying \$7 a ton bounty on steel rails in Canada, and this enabled them along with the tariff, favoured railway rates, exemption from taxation, and so on, which this country was giving them, to dump their rails at a price very much below the world's prices at that time. Let me give an instance. The Dominion Iron and Steel Company was dumping rails in the southern Punjab that year at \$24 a ton, while for the government section of the Transcontinental railway in Canada the people of this country were paying for their rails, including the bounty, \$39 a ton, at the very time this company was dumping their rails in India at below the world's prices.

Jacob Viner, in his book on dumping, relates how in 1910 the United States Tariff Commission received complaints of dumping by Canadian producers of even harness leather, sole leather and particularly lumber, while it is questionable if the agriculturists of any country were paying as high for these goods as we were doing at that date. Dumping is

[Mr. Evans.]

essentially a feature of a high protected country. There is no dumping in England. England never fears any dumping, and England does not engage in that nefarious practice herself against other countries. There was at that time no such law on the statute books of any other country in the world. In fact, it may safely be said that Canada has led the way in devising ways and means to fool the public for the benefit of professional politicians and privileged interests in the greatest system of legalized pilfering that the world has ever known. It is doubtful if any other country would have such a law on its statute books to-day if Canada had not set the example. It was not until 1921, that the United States enacted legislation which in any way resembles our dumping act of to-day. The five self-governing dominions of the British Empire also have a law of this kind following Canada's example. Now I think it is one of the greatest political incongruities in the world that history may record that the professedly free trade government of this country has led the world in protection or legalized pilfering. It is a shame. The anti-dumping measure enacted in 1904 by the Liberal government was put into force largely to offset the demand of the manufacturers at that time for higher protection. It was for this reason the anti-dumping act was enacted. By that time the politicians of both parties had placed themselves in such a position of relationship to and community of interest with the protected manufacturer that they could be dictated to, and could refuse only to their own hurt. Again, as Jacob Viner naively puts it, the manufacturer was the one important source of campaign funds for both parties. For that reason they have been able to exercise control over the trend of tariff legislation in Canada. Faced with this dilemma the government had to find some ingenious way of escape because about this time the Agrarian revolt was almost in full swing. So the anti-dumping law was placed on our statute books in the hope that it would please the manufacturers and fool the farmers into the belief that the government had resisted the demands of the manufacturers for a higher tariff. This surely is a most humiliating thing for history to record. Mr. Fielding declared at that time that all that was needed was a temporary measure to deal with a temporary condition. Twenty years have passed since then, and the dumping act has been so strengthened by amendments that it has become a more complete measure for price-fixing and eliminating com-