

the export price is much less than the Canadian people are obliged to pay, the manufacturers again taking advantage of tariff protection. I fully realize the absolute necessity of Canada exporting not only manufactured articles, but raw materials as well; our prosperity can usually be gauged by the volume of that export business. This should not be supported, however, at the expense of Canadian taxpayers; and wherever possible they should receive the benefit of reduced cost of production.

As an illustration in this case, I can point out a condition that existed in my own province for many years, and I trust that in doing so I shall not be responsible for another lengthy discussion on nails. In Saint John city, the Pender Company manufacture the greater part of the nails that are used in eastern Canada, and many thousands of pounds were exported to the United States previous to the war. On many occasions I have seen these nails being sold in the State of Maine for a dollar or more per keg below the price charged in Canada.

I am fully aware of the fact that this is called "dumping"; in other words, exporting the surplus below the cost our own people are obliged to pay, and although this method is common practice with manufacturers, it would appear to be a more patriotic duty to pass this saving along to our own people, rather than to those in foreign lands.

I believe it was in the year 1928 that the Mackenzie King government decided to lower the duty on automobiles coming into Canada from the United States. This procedure automatically reduced the cost of the cars manufactured in Canada. Ottawa was immediately besieged with delegations of automobile manufacturers from all parts of central Canada. I well remember the gloomy picture they presented to the government of that day, that if the government insisted on carrying out this policy, the manufacturers would be obliged to close their factories, throwing thousands out of employment, because it was utterly impossible to continue operating with any reduction in the cost of the finished article. Regardless, however, of the presentations made on behalf of the manufacturers, the price was reduced. What was the result? The following year, 1929, more automobiles were manufactured and sold in Canada than in any previous year in our history. Employment in this industry was greatly increased, the volume of business increased, and a saving was passed along at the same time to our people, without industry suffering any undue hardship.

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We in the maritime provinces find ourselves in a position, as I have stated, whereby markets must be found outside Canada for our production in both raw materials and manufactured commodities.

At the present time the fishermen of the New England states are strenuously opposing the importation of fish from the maritime provinces into the United States. The protection they are seeking, by way of tariff, would completely bar our fishermen from exporting to that country. Should this tariff be imposed, I hesitate to predict just what would happen to our enormous fishing industry in the maritimes. When at least the fate of sixty per cent of our markets hangs in the balance and could turn adversely, if the United States government so decide, one can realize the seriousness of our predicament. The Minister of Fisheries is aware of the situation and is doing everything possible to have adjustments made as soon as possible.

My own opinion is that the New England fishermen are perfectly justified in asking for this protection, because the tariff regulations in Canada have completely barred them from our markets, while our Canadian fishermen were given every opportunity of competing in United States markets. Why the government of this country took this discriminating attitude has never, to my knowledge, been explained satisfactorily. It certainly was not the welfare of the Canadian fisherman that was given consideration, since in no way could the New England fishermen find a market in Canada. This the fishermen of this country are unable to do themselves.

We hear national unity discussed on many occasions. It is a goal worth striving for, and should be the aim of every loyal citizen of this dominion. But let us not lose sight of an even greater accomplishment—international cooperation and good will. In striving to attain that goal, the greatest obstacle one will be obliged to encounter is the tariff wall, the obstacle that has been responsible for wars, depressions, and world-wide calamities, because the imposition of tariffs is beneficial to a minority group, but detrimental to the backbone of our country, the primary producers. When that wall has been scaled, we shall have gone a long way in assisting the custodians of world peace and happiness who, I believe, are sincerely seeking a solution of world problems.

Mr. D. G. ROSS (St. Paul's): In rising to take part in this debate my first words must be of congratulation for the splendid way in which the new Minister of Finance (Mr. Abbott) presented his budget to the house.