

creation of new industries in every direction, and we must have a fair measure of protection in order to create and foster these industries. We do not want to grow lop-sided. I propose at a latter date dealing with this question of protection. My suggestion now, to be worked out later, is that of an expert tariff board, with powers as wide as those of the Railway Board which regulates railway rates and conditions of shipment. Such a Board to have full access to and examine privately the books of any manufacturer or person seeking protection, and to advise Parliament either to reduce, where they find watered stock is paying a dividend, and not real capital, or to increase where bona fide capital is to be put into a new industry and it is necessary to have some protection to enable that industry in its earlier days to live; in other words, a non-partisan board that will treat the whole matter of protection scientifically. The real theory of protection being, that in a young country with sparse population, there must be such an advantage given to the youthful industry as will enable it to live as against more specialised and powerful neighbours! Consider all the elements that go to make up the cost and the output and the market, and to give such a protection as will enable, with up-to-date machinery and under proper management, a margin of profit to be made over and above the cost sheet, but always, as I say, declining to assist in what I conceive to be the greatest curse of the present day—the payment of dividends upon stock which is absolute water!

To the farmer, it may be pointed out that the effect of the upbuilding of his home market by the tariff in Canada has been not to increase the price of the goods which he has bought. With one or two exceptions nearly everything the