

down the cost of the commodities we had to buy. I pointed out to him that the measures he was then taking to relieve unemployment would have just the opposite effect, that they would keep prices up, and that as a consequence we would have less purchasing power and more unemployment. Was I not right? What has been the result? Let us see what the Prime Minister himself said the other day in regard to the work of the special session:

Where would this country have been had it not been for the session last fall which gave employment to upwards of two hundred thousand people? Study if you will for a moment the figures of industry. In eight months new factories cannot be equipped and built, but they can be commenced, and the numbers that have been commenced in this country during those eight months are more than those during any other similar period in recent years.

I want to deal with that statement. The Montreal Star sent out a man to look over the industrial districts of this country, to find out just what had been effected by these tariff increases, and his observations were published in a series of articles in the Montreal Star, a copy of which has been sent to every member of the house. What did he find? He reported that new industries had been established in this country, because of this tariff, with a capital investment of some \$14,000,000. Incidentally he included in that \$14,000,000 some \$6,000,000 invested in a fertilizer plant at Trail, British Columbia, which plant he forgot to tell us had been established four years ago under the Liberal regime. But we will allow him that \$6,000,000. Including that, the most he could find was \$14,000,000 of new capital invested in industry, all of which he attributed to the increased tariff. We will be generous; we will double his estimate and make it \$28,000,000. Let us say that there was new capital invested to the amount of \$28,000,000. Now \$28,000,000 in four months is at the rate of \$84,000,000 a year; and the average investment of new capital in Canadian industry during the last seven years of Liberal government was \$227,000,000 a year. The Prime Minister said that no such amount of capital as had been invested in this country in industry since the new tariff came into effect had been invested in any other eight months' period in recent years. I dare aver, Mr. Speaker, that we never had in the history of Canada an eight months' period when there was so little new capital invested as during the last eight months.

This same writer in the Montreal Star, Mr. MacLeod, writing of the benefits of this new policy, tells us that it has given employment to two thousand hands. We know from the government's own figures that last fall there were two hundred thousand unemployed, and

to-day there are three hundred thousand. Let us strike the balance: Two thousand men given employment, and one hundred thousand more men thrown out of employment. Was I not right? What does all the benefit of this tariff policy amount to as compared with what it has cost Canada? It is but "A wrecker's handful of coin gleaned from the beach to which he has beguiled an argosy."

The government also told us at the special session that they had assurances from the manufacturers that if the tariff increases proposed were granted, the manufacturers would not increase their prices. I directed a question to the Minister of National Revenue (Mr. Ryckman) at the time, and asked him if any manufacturer had refused to give such an assurance. I did not ask that question just to tease the minister, or to wear out his patience, as the Prime Minister suggested, but because at the time I had information in my possession that certain manufacturers had flatly refused to give any such assurance. Here is an article from the Toronto Mail and Empire, a good Conservative paper. Speaking of the new customs regulation in regard to the valuation of automobiles, in its issue of February 20, 1931, it says:

General Motors, Durant, Willys-Overland Company, Chrysler and other Canadian manufacturers, it is understood, have been urging the change upon the Dominion government ever since the special session of parliament last year, when it was indicated that the government at that time contemplated increasing motor car duties by some 20 per cent. A promise was then sought that the domestic prices would not be increased, but it is understood, Mr. Bennett and his ministers were told flatly and frankly that to raise the rate of duty would be automatically to increase domestic prices to the consumer and cut down consumption, with consequent increase in unemployment.

That put the minister in a quandary. He wanted to raise the duties on automobiles. He had promised the house and the country that he would first get assurances from the manufacturers that prices would not be increased. When they refused to give any such assurance, the problem that confronted him was: how can I do this thing without it being necessary to extract a promise from the manufacturers? The ingenuity of the customs department came to his rescue. They found a way. Those gentlemen in that feudal castle on the banks of the canal can always find a way. I think the man who designed that castle must have had a rare sense of humour. There it stands on the banks of the canal, on the highway of traffic with its bastions, and battlements, with its