

taking his capital investment, what he earns and what he spends—is \$3.75 going to affect him? He will never notice it.

Mr. ROBB: Now will my hon. friend just follow out his argument and calculate the extent to which the 50 per cent reduction on raw material which we give is going to affect the manufacturer of engines.

Mr. LADNER: It gives a certain advantage to the manufacturer, but we have here under their own signatures the statements of responsible firms in Vancouver, who presumably know their business, and they say "If you make these reductions, and make further reductions, you are going to put us out of business."

An hon. MEMBER: Do they not all say that?

Mr. LADNER: Yes, they all say it and the industries of the country are being put out of business. Everybody knows it, and the government will know it too when the general elections come.

Now, Mr. Chairman, the hon. member for Saskatoon (Mr. Evans) gave us the benefit of some theories on free trade. The trouble is there is too much theory talk. We have here an actual condition. The duties on engines, which affect the fisherman only to the extent of \$3.75 a year, are being reduced and in doing that the government will not only put out of business these two, three or more industries in the city of Vancouver, as well as others elsewhere in Canada, but they will cause people with capital to invest to ask themselves whether it is desirable to invest in Canadian industries in view of the uncertainty of the policy which the government follows—taking two steps forward one year in a downward direction and another step in another direction; then next year it may be half a step, or two steps, again in the direction of lowering the tariff. Looking at this matter from the point of view in which a business man would look at it, is it in the interests of this country to save the fisherman \$3.75 on his capital investment in the fishing enterprise and put out of business the manufacturers of these engines? Is it wise to force these people who have put their capital into the business to lose it; and worse still, is it wise to create such fear in the hearts of people desirous of investing capital in industries in other parts of Canada that they will refrain from taking that step?

Mr. MARTELL: Is it not a fact that the things which are used by fishermen generally, even the luxuries, pay the highest pro rata

duties into the treasury, at any rate duties much higher than the average manufacturer pays?

Mr. LADNER: I do not think that is correct at all.

Mr. MARTELL: I think it is.

Mr. KYTE: The comparison the hon. gentleman has addressed to the House in regard to the saving to a fisherman by a reduction of the duty has reference to only the boat that has been built and the engine purchased. My hon. friend has left out of account the number of boats that will require to be built from year to year upon which there will be a saving of \$37.50 in the case of each engine costing \$300. Now, in the Maritime provinces we are endeavouring to develop our fisheries. Unfortunately during the last ten years a great many of our fishermen gave up fishing and went away to the United States. Now we are trying to get them back, and there is a very considerable return movement on the part of those expatriated fishermen from the Maritime provinces. These people will require boats to carry on their vocation.

Mr. LADNER: Does the hon. member seriously, as a responsible individual, suggest that the prospect of saving \$3.75 a year on a gasoline engine will bring the fisherman back?

Mr. KYTE: No, but the prospect of returning to Canada and living under a Liberal government is bringing them back. They are going to engage in their former occupation, and they will require fishing boats, they will need to purchase engines, and each one of these men will save \$37.50 upon every engine that he buys. My hon. friend with the true instinct of the Conservative is not thinking of progress, of advancement. He is thinking only of the conditions to-day; he is not thinking of the men who are looking to the future and who wish to contribute towards the development of our industries.

Mr. LADNER: Hon. gentlemen opposite are thinking of votes.

Mr. KYTE: Let me emphasize the point that it is upon the new boats that the saving will be made. A large number of engines for these boats will be purchased in the Maritime provinces in the present and succeeding years.

Now, my hon. friend refers to the reduction of duty as being somewhat in the nature of an economic triumph. Does he not know that when his own leader entered parliament, or in the second session following that entry, he