

*Customs Tariff*

trade in the immediate years ahead, namely that various national policies have helped to establish industries in many countries of the world where such industries ought never to have been set up in the first place. When I think of the heavy burden that many European taxpayers have to pay at the present time in order to subsidize the growing of wheat, for instance, I believe I have an example which is worthy of some consideration. It is obvious that the best place in the world to grow the finest type of wheat for the least money is in our Canadian west, yet for national reasons of their own many countries in the world have over a long period encouraged their people to engage in the production of wheat, though they should be doing something else. Right here in Canada we have had governments which over the years, for reasons valid or otherwise, have encouraged the establishment of a cotton textile industry here, an industry which is not natural to the Canadian scene. And yet we cannot attempt to abolish this industry at this time because hundreds of thousands of Canadians would suffer serious hardship if that attempt were to be made.

What we need in order to obtain freer world trade is the raising of the living standards of the workers of all countries to a point where they are at least as high as the living standards of our own Canadian workers. If we were to do that, many of the goods which are produced abroad would no longer offer any unfair competition to our Canadian workers.

We also need a policy whereby the government, rather than entrenching further those things which ought not to exist on the Canadian scene would, rather, pursue a policy by means of which, if those industries have to be sacrificed, no hardship would be involved by those who are now earning a livelihood in these fields.

One of the most important handicaps to a fair exchange of commodities between the various nations of the world is the handicap of currency, and we need to exert much greater efforts toward making possible a freer exchange of the currencies in existence in the world. I would much rather have seen the government engaged in some vigorous action directed toward making possible a freer exchange of currencies than to be discussing an amendment to the Customs Tariff.

High tariffs, low tariffs, or even free tariffs are not the answer in the world in which we live today. High and low tariffs are a game that the Liberals and Conservatives have played in Canada ever since

[Mr. Regier.]

the time of confederation, and I was hoping that those two parties would have become adult by now and grown out of playing such games. Whether tariffs are high or low, it will not solve our problems; it does not even meet the problem. And free tariffs at the present time are not practicable.

We are afraid—and I think that succeeding speakers are going to voice some of the reasons for our fears—that the tendency in this proposed new measure of the government is toward higher and still higher tariffs, and that in this, as in many other respects, the Conservative government is again repeating the history of the Conservative government we had from 1930 to 1935. The days when the tariff was looked upon as a sort of revenue for the minister of finance ought to be gone. I believe they are gone, even in the mind of the Minister of Finance. He no longer looks on the Customs Tariff as a source of revenue. I believe even he has got round to the point when he considers that the Customs Tariff is an instrument by means of which a government either encourages or discourages certain sections of Canadian enterprise, and that any revenue flowing to the treasury is merely incidental.

**The Deputy Chairman:** I have been waiting for the hon. member to get back to the second resolution and I find that he has been talking on the principle of customs tariff. We are now discussing resolution No. 2, which refers to certain specific articles. I would ask the hon. member to bring his remarks back to those specific articles.

**Mr. Regier:** I am sorry. I presume that resolution No. 1 was passed at the time of our national convention and I did not realize that it had carried. However, just to summarize in one sentence what I meant to say, we feel that a new approach is necessary. We advocate that we line ourselves up with the modern, progressive nations of the western world and that we begin to plan as they do and use the instrument of the customs tariff for the welfare of our people and that we establish export and import boards which will regulate customs so as to supply the maximum employment to all Canadians.

**The Deputy Chairman:** Shall the second resolution carry?

**Mr. McIlraith:** Did you say the second resolution?

**The Deputy Chairman:** Resolution No. 2.

**Mr. McIlraith:** I take it you are dealing with zinc?

Resolution 2 agreed to.