

*The Budget—Mr. Crerar*

upon a foreign country for their raw material. I submit, Sir, that that is not a sound method of development.

After all, where does the great wealth, the real wealth, of this country lie? It lies in our fertile fields, it lies in our vast mineral areas, in our forest wealth, and in our fisheries: and if we are to seek and find a sane and sound policy of national development we must seek it along the lines that will encourage production of wealth from these things, and not by the creation and stimulation of artificial industries that depend upon foreign countries for their raw material. I might instance some of these. Take the most highly protected things in this country and what are they? Well, we find them in cotton goods, we find them in rubber goods, and we find them also in many other lines. Is it a sane policy—I ask my protectionist friends this question—to penalize the people of Canada from the Atlantic to the Pacific, to increase the cost of living to every person in this Dominion, to build up industries of this character? I say it is not a sane policy. That is why I am in support of the policy the government has brought down as far as it has gone.

Now, this budget has not really hurt any one. Who has it hurt?

Mr. GRAHAM: It has hurt a lot of feeling.

Mr. CRERAR: It has hurt a lot of feeling. The reductions in duties on agricultural implements have been compensated for, and rightly so, by the reductions on the raw materials that go into those implements. And what is the net result? The net result to-day is that every farmer in Canada from the Atlantic to the Pacific, will buy his agricultural implements this year cheaper than before, or cheaper than he otherwise would have done if this budget had not been brought down. I am at a loss to understand the attitude of many newspapers and public men, and I might include in that the right hon. gentleman who leads the opposition because of the course he has taken on this question. I read something not very long ago about "the influence of the psychology of fear." That is the attitude of mind to-day of some people. If you study this thing in the light of the cold analysis of fact what injury has it done? And yet we have a tremendous outcry all over the greater part of Ontario and part of Quebec. I am amused in reading the Montreal Star. A few months ago it had a series of editorials under the caption "The whisper of death." It saw nothing but

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blue ruin, and now it sees nothing but blue ruin from this budget. I can compliment my right hon. friend who leads the opposition on one thing—that his speech here to-day has probably brought him the support of the Montreal Star, and that, I am sure, will be a great joy to his heart. I shall watch very anxiously and with a great deal of care for its editorials to-morrow.

But this brings back to my mind the reciprocity arrangement of 1911. What injury was done to the Canadian manufacturers under that arrangement? There was not a single possible injury to them under the reciprocity arrangement of 1911; it would in the end have been a boon to them. But what was the course taken? Well, we had the manifesto of the "noble eighteen" of Toronto who came out in flat-footed opposition. We had a frenzy and furor of opposition to that proposal created for months by active propaganda in eastern Canada. And with what result? That the people of Canada were misled as to the real purpose and real value of that arrangement. My right hon. friend (Mr. Meighen) has argued that that arrangement would have been of no value to Canada, that we were far better without it, and some of his supporters have taken the same ground. Was it of no value to this country with its tremendous agricultural output to find all the possible markets that could be found for these agricultural products? On the very face of it was that not a common sense proposal? In a study of our national economy what this country needs more than anything else at the present time is markets, and under the reciprocity arrangement of 1911 we were given access to the American market for our natural products.

Mr. SUTHERLAND: What was the response from your own province of Manitoba in regard to that?

Mr. CRERAR: Oh yes, I have heard that question before and I answered it. I want to say to my hon. friend now that he got a response from the province of Manitoba in 1921 as to what it thinks on the question of reciprocity and the question of tariff generally. In Canada we were robbed of the benefits of that arrangement. My right hon. friend argues that there would have been no stability to that arrangement, that we could not depend on the United States government living up to its obligations; but the fact was that the American government kept that offer on its statute books for over ten years