great results from the aid granted by parliament for this work from an agricultural and industrial point of view. There are men of ability in this country who can bring these researches to a successful conclusion, but we must take great care that in this work there is proper co-ordination of effort. I was very much surprised and interested upon reading an article the other day to find that this country suffers a loss of about \$20,000,000 a year owing to grain rust. Now if that one source of loss alone can be overcome by industrial research it will be well worth the expenditure incurred. As the representative of the county of Welland I shall take great pleasure in supporting the government in making liberal grants from time to time in aid of research work.

I am rather troubled in mind about the woollen industry. I think it has been very severely hit by the action of the government in the past in granting such a large preference in favour of Great Britain. I am a strong believer in interimperial trade, and the building up of trade within the Empire, but I do not think we should do so at the expense of such an important one of our own industries. especially when allied branches of industry will be injuriously affected. If the woollen industry were in a thriving condition to-day and developing as it should, wool would be required from the farmers and this would be of help to them in raising sheep. The grazing of sheep fertilizes the land and keeps down weeds, and through the raising of sheep the farmer has mutton and lamb for the market. So that when we do anything to injure the woollen industry it reacts in various directions and hurts other industries which are dependent upon it, notably that of sheep raising.

I am a strong believer in the adoption of a national fuel policy for Canada. I should like to see the government establish what may be called an out of pocket rate, say \$5 or \$6 a ton, for the delivery of coal from Alberta and Nova Scotia to the central portions of this Dominion, and Ontario in particular. What is called an inclusive rate. which would be in the neighbourhood. I understand of nine or ten dollars, should be fixed for the railways, and any difference between that and the out of pocket cost should be met from the national exchequer. If we do that, I believe coal can be delivered and sold to the consumers in Ontario at a rate of from \$13 to \$14 per ton. This winter I have been purchasing coal in the city of Welland for \$14.75 a ton, and I have not paid less than \$14 a ton for some years. I

## The Budget-Mr. Pettit

would cheerfully continue to pay that amount if it would be of help in developing the coal industry in Canada. If we do not get to work now and inaugurate a national fuel policy we run great danger of suffering from a prolonged strike in the United States, or the possibility of that country enforcing an embargo on coal. Where should we be in the case of either of these eventualities, and we were not able to draw supplies from domestic We ought to take time by the sources? forelock in this matter, and provide against every possible contingency. The objection has been raised that the course which I have advocated would mean the expenditure of a great many million dollars from the national exchequer. In reply to that argument I would point out that we should be able to retain in Canada the many millions of dollars which now go out of the country for the purchase of foreign coal. In addition our railways would derive an immense revenue from the carriage of Canadian coal, our coal mines would be enormously developed, and employment would be given to a great number of workingmen. It was pointed out the other day in this house that when the Hamilton and the Sault steel industries used American coal in their operations they received a drawback of 99 per cent. I was wondering why industries of this character should not be given a drawback on the price of their coal if they obtained it from Alberta and Nova Scotia.

I am heartily in favour of the course suggested by the hon. member for East Simcoe (Mr. Thompson) when he spoke the other day on the subject of flour. I favour an export duty on wheat going to the United States so as to compel the manufacture of wheat into flour on this side. Our wheat is going to Buffalo in larger quantities each year: Buffalo is fast becoming the milling centre of the continent through the shipping of our wheat to that point and the milling of it into flour there, and I therefore strongly support and advocate an export duty on wheat going to the United States for milling purposes so that instead it may be made into flour on this side, thus building up the flour milling industry in Canada and giving employment.

I come now to the matter of immigration, which has been and is still a very serious and complex question. I have given it a great deal of thought and I have often wondered how on earth it can be solved with advantage to this country. I have often wondered, although I do not say I believe in it, if it would not be better to throw open the doors to all persons from Europe who are mentally

1237