

higher protection for all our industries, making the tariff so high as to induce Canadians in the United States to return and Canadians who are now in the Dominion to remain here. That is what it means. The inference is also to be drawn from the amendment that, in the opinion of hon. gentlemen opposite, high protection will build up the home market for our products. It is the same old story; protection will do it all. I do not think my hon. friend from St. Lawrence-St. George could have been altogether sincere in advancing this policy. I find that in his own remarks, as reported at page 623 of *Hansard*, he admits that the policy is not satisfactory for the whole of Canada. He states there that if the policy were introduced it would be necessary to do something for the maritime provinces and for the prairies as well. In other words, they would bonus these provinces in some way to offset the injury which they would suffer from protection. I do not think a policy of that description can be very well advocated as one that could be applicable to the whole Dominion.

I have observed in the *Montreal Star* a suggestion rather similar to the above and which one of our western friends referred to a few moments ago. The *Star* offers a new policy, and I do not know whether it is altogether in conformity with the proposal put forward by the hon. member for St. Lawrence-St. George. In the first place, it is proposed to apply the system of protection in full measure to secure a home market for our producers. Now, I am willing to give the *Star* credit for an earnest desire to do the best it can in the interests of this Dominion. Those who direct its affairs have done a great deal to give to this country what is perhaps the greatest newspaper we have, and I am inclined to think that their interest in Canada is sufficiently strong to actuate them in what they consider to be the wisest course. But we must look into their policy critically to see how it will operate. They say we should have protection so as to shut out foreign goods and keep our market for the home producer. But if you keep out all foreign goods you immediately increase prices to the consumer. This is clearly the case, because if protection is not intended to increase prices why is it demanded? In other words, the manufacturer here would have the market now if he could produce cheaply enough to hold it. Prices to the consumer must therefore be increased correspondingly with every increase in protection. That is fact No. 1, and I think the house will agree with me that the consumer gets the worst of the bargain.

[Mr. A. E. MacLean.]

The next suggestion is to bonus the manufacturer on his exports to enable him to undersell trade rivals in foreign countries. Here again the consumer in Canada gets the worst of the bargain. Let us take an industry in Ontario. The province of Prince Edward Island has to contribute its share to pay the bonus to the Ontario firm, but it gets nothing in return. As a matter of fact, the consumers in Prince Edward Island, under such an arrangement, are taxed twice on the same article; they pay the increased price for the article in the home market on account of the added protection, and they also contribute to the bonus for the exporter. In this way the farmer of Prince Edward Island is taxed twice over. I do not think that such a policy would be for a moment acceptable to the whole Dominion. But what about the farmer? He has to go out and sell his produce in competition with the world, with no guarantee of any fixed price, notwithstanding the fact, as I have pointed out, that he would have to contribute in two ways, under such a policy as is here proposed, to the support of the manufacturer, who has a safe margin of profit, without any risks in connection with the disposal of his goods. It seems to me that when the *Star* looks into the suggestion somewhat more closely it will realize how unworkable it is. A rigid system of inspection is also urged whereby prices shall not be increased. To my mind this is also impossible. The manufacturer has to sell at cost, plus a small profit. It would be impossible to enforce such a system inasmuch as one manufacturer can produce at a much cheaper rate than another. The result is that the consumer would soon find himself paying the full added tariff together with a nice margin of profit to the manufacturer. So I do not think it would be possible to put that policy into operation, notwithstanding the good intentions which no doubt influenced the *Star* in that connection.

There is another strange thing about the speech of the hon. member for St. Lawrence-St. George. Presumably he laid down the policy of the Conservative party, and among the principles he enumerated was the following:

The stabilization in Canada of the costs of living and the costs of implements of production on such comparatively low bases as will enable our people, in producing and selling our surplus of national products abroad, to compete advantageously with the products of foreign countries in our common markets abroad.

I do not know whether or not that is the policy advocated by the *Star*, but our friends opposite have been condemning the Liberal party for years, and they said our policy of