

liament. I want to show that I am rising to grace just as the Prime Minister is falling from it. I have had occasion to compliment him on short speeches before, but he will have to reform a little to get back to my good graces in that matter. I want to show that I am following his good example and not his bad one. But I do want to state this that I do not think there is any doubt whatever about the main cause of the high cost of living in protectionist countries. The Minister of Finance said last year in a somewhat light and airy way which he puts on with very great grace, that this is not a local trouble, it is all over the world—and there he left it. But we must look into this a little more closely. We are told that the high cost of living exists in Great Britain as well as in this country. It is not the case, not to anything like the same extent. The simple fact on that matter is that in the one free trade country in the world today, the one absolutely free trade country, you can get pretty well value for your money. In regard to foodstuffs the prices are high because Great Britain has to import the surplus of other nations and I think a very good argument could be set up in favour of the view that protection in other nations raises the price of foodstuffs in Great Britain, for if you talk the home market you will produce for the home market, you will have no surplus to sell and that must make a scarcity in Great Britain. But the British Board of Trade has issued a publication recently in which, taking the index number as 100, they show that the cost of living has risen since 1902 to 115 in Great Britain, while it has risen to 151 in Canada. That is a very serious question, and it will not be settled by party quips and passes as to what happened during the previous administrations. That is a very serious matter for the people of this country and a matter upon which we could have got light without the establishment of this commission of inquiry. Let me say that the cost of living in Great Britain ought to have risen far more than in Canada according to all a priori reasons. For what have you in Great Britain? You have five hundred people or nearly so to the square mile on an area, including Ireland, of one-half the province of Alberta. Here you have less than two people to the square mile upon a continent of resources. That is a most singular and significant fact. Why, we should be all well off in this country and well off at a cheap rate, if our economic arrangements were proper. Although not making a budget speech I wish to state my

[Mr. Michael Clark].

conviction that in protectionist countries the high cost of living is due, in the first place, to tariff and, in the second place, to combines which arise out of the protection of the tariff. I do not have any doubt upon that subject. If I

had, I think I could quote from good authority to convince hon. gentlemen opposite of both those opinions. The effect of a tariff is no mystery. My hon. friend the Minister of Trade and Commerce said years ago in this House: Of course it is perfectly true that the effect of a tariff is to raise the price of the article carrying that tariff by the amount of that tariff.

There is no good economist on the face of the globe who can successfully controvert that position, and that settles all controversy on the matter. It cannot be successfully controverted. When an article costing say \$100 comes to one of our ports and a tariff of 33 per cent is put on it at the port, that 33 per cent goes into the price of the article and the \$100 becomes \$133 and more than that, because a profit must be charged upon the tariff as well as upon the original price of the article. In regard to the effect of combines, I am going to quote an authority who ought to have more weight than even the Minister of Trade and Commerce with my hon. friends opposite—I am going to quote the Prime Minister himself. In a memorial which he put out last election in regard to the objections to the reciprocity pact, he remarked in the first place, that they are profound and abiding. After that remark he went on to enumerate those objections, and I want to call my right hon. friend's particular attention to this objection. He said: The reciprocity pact will for the most part reduce the prices which our producers will receive for their output while the control of the trusts will prevent any reduction to the consumer. That language is an admission on the part of my right hon. friend that at the last election he knew that the effect of the trusts was to raise the prices to the consumer and on that point he need not have appointed any commission now. If he will put together the opinion I have quoted from the Minister of Trade and Commerce and his own opinion he will find himself in this position that he is bound to admit from their own statements that the rise in prices in a protectionist country is due in the first place to tariff and in the second place to the combines which arise under the protection of the tariff. Confronted with the difficulty of living, what did Peel do? He attacked the tariff. What has Woodrow Wilson done in the United