

traditions in terms in that amendment, I am exceedingly glad that it received the still-birth which it did, because it claimed that we should consistently maintain protection. I do not think the most fervid or perfervid protectionist in this House or in this country will maintain in his reflective moments that there is any such thing as consistent protection. I do not think Mark Twain, in the very height of his deliberate drollery, ever put words together which were more self-contradictory than the word "consistency" and the word "protection". We all know, and every man especially, I take it, who has ever been in the cabinet secrets of any government, will know that when delegations come to them asking for more protection, it is absolutely guess-work as to when you are arriving at a system of justice if you are going to monkey with protection at all. I challenge any man to frame a protective policy which will be consistent and deal out even-handed justice. And the converse is true, as we heard the other day from the entertaining glimpse which the hon. Solicitor General (Mr. McMurray) gave us behind the cabinet scenes. He said that as delegations arrived to oppose various reductions in the tariff on one item or another, their never-failing argument was that if one particular reduction went into effect some other cognate or similar industry would be more favourably placed. I am free to confess that you cannot reduce duties wholly consistently, even if you do so gradually, as this government is proceeding to do. As it is axiomatic that you cannot build up tariff walls with absolute consistency, so you cannot take them down with absolute consistency. Therefore I have no doubt that of necessity criticism will be levelled here and there against the government in that its downward trend of tariff duties is not entirely harmonious and consistent. The tariff itself being inconsistent and mischievous, unless you do away with it at one fell swoop, you have to go through a period of conflict and inconsistency in getting back to a normal business basis. Consequently I humbly ask our Liberal friends throughout the country to bear with the administration in avoiding as best it can glaring inconsistencies in tariff reductions while making no pretence that its policy of tariff reductions can go on without inconsistency any more than that a tariff can be built up without inconsistency.

Mr. RYCKMAN: Is my hon. friend in favour of or against any measure of protection at all in the tariff of this country?

Mr. PUTNAM: That question, Mr. Speaker, could be easily and categorically answered, but I am going to inflict only a short speech upon my hon. friends, and I should like them to take it for granted that I shall not resume my seat and leave that obvious question wholly untouched.

Mr. RYCKMAN: I accept that statement. I hope my hon. friend will not sit down before he answers the question.

Mr. PUTNAM: When we are asked whether or not we should do away with protection altogether we have to take into account the particular industry which will be affected. It is very hard to lay down in one sentence any rule that will suit my hon. friend or any other hon. member. We have to take into account that there are factories which may have been in operation and getting on nicely before protection was adopted as the fiscal policy of this country. In such a case I do not deny that this factory could make more profit after protection came into effect, and consequently it could pay better dividends. In this event what will happen? If dividends are doubled by the application of protection, the owners of the industry will resort to the very common device of watered stock in order to conceal from the consumer the extent to which he is exploited. But a factory which springs up under protection is in a different category altogether. Protection itself raises the price of everything that goes into that industry, it raises the price of labour and the cost of living, and the result is that the factory will require a larger genuine capital and will be started under more onerous conditions. Now, if you take protection away from that industry what happens? Unless the protection is withdrawn gradually that factory will be subjected to certain hardships. Therefore the two cases are dissimilar. When you are dealing with a factory founded before protection was applied, the process is comparatively simple; you have only to scale down the capitalization, in other words, squeeze out the watered stock—and if somebody gets burnt by having dealt in that watered stock he is not to be pitied. But the process is altogether different when you are dealing with a factory established under protection; the scaling down of tariff duties has to be done gradually with due regard to the new conditions which that factory may from time to time have to meet; and this, I take it, is the policy of the government in regard to the present budget.

With respect to the amendment which the hon. member for Kent has moved, and where-