

raw material supplied by one of the four great basic industries, agriculture, mining, lumbering or fishing. If the cost of raw material can be reduced in those industries, then every manufacturing concern in the Dominion will stand to gain, because when you reduce the cost of the raw material there can follow a lowering in the price of the commodity produced, and that without any loss in either profit or in wages. But this is even more important than it appears on the surface. In the building up of this country what is needed above all else is a great export trade. Now the price at which commodities can be sold in a foreign market depends upon world factors of competition. In this country we are trying to maintain a certain standard of labour, and we do not want that standard to be lowered. On the other hand, we have to go into a market and compete in foreign trade with other countries that have standards of labour lower than our own. If we can reduce the cost of raw materials entering into our manufactures, be the amount ever so little, it may be just sufficient to give our manufacturers a chance successfully to compete in that foreign market against the other countries of the world, and it is that foreign trade that we must go out to capture in every way we possibly can.

Now what has the government found in viewing the situation from that standpoint? The government has found with respect to foreign trade, that year by year, within the last few years, a great combine of shipping interests has been shaping up on the oceans of the world, a combine that seeks to control the entire ocean commerce of the world, a combine of shipping companies so closely knit and interlocked in its workings and operations that within certain limits it can fix pretty much at its own will the price at which commodities can be transported to any part of the world. This House will be favoured shortly with a report which I think it will find illuminating on the subject of this combine and its control of rates across the Atlantic. There are many circumstances that have been affecting the cost of production of late. Speak of the bringing of immigrants to this country! I have mentioned one or two difficulties, but they are not comparable to the difficulty that is encountered in the cost of transporting the immigrant from Europe across the Atlantic. A few years ago the immigrant from Europe could be brought to this country at a cost of from fifteen to twenty dollars a steerage passage; to-day

something like seventy or eighty dollars is required for corresponding accommodation. These exactions we believe are largely due to the monopoly that shipping interests enjoy and which enable them to control rates across the north Atlantic ocean. That monopoly thwarts Canada's effort to increase its production in this one way but unfortunately that is not the only way in which the country is adversely affected. Our commodities have to search out the markets of the world, and what do we find? We find that the rates on the transportation of our export commodities have been going up steadily and steadily for years. They went up during the war; that was bad enough, but since the war they have been going up higher still, with the result that our agricultural industry is suffering the severest of handicaps while manufacturing industries of this country which a short time ago were shipping commodities to the Old Country find, many of them, that they cannot profitably ship commodities at the transportation rates prevailing to-day. As a government we have felt that if we are to work out in a constructive way this programme of the development of the natural resources and the basic industries of our country and of the manufacturing industries based thereon, if we are effectively to further manufacturing as well as agricultural development, we must seek to make freer the channels of trade by which the products of the farm, the mine, the forest, the fisheries and of our manufacturing establishments reach consumers in different parts of the world from the factories, the farms and other sources of supply where they may be produced. Hence we contemplated the step referred to in the Speech from the Throne which will be announced in detail to parliament in due course and which we hope will be a further factor in helping to solve our great national problems.

My right hon. friend in referring to this matter made a quotation, from Byron's *Childe Harold* I think it was. He referred to man's control stopping with the shore. Man's control may stop with the shore, but the control of government ought to go beyond the shore, and in this matter we intend to extend our control beyond the shore, if that is possible at all. We hope so far as our effort in this regard is concerned, that the Canadian government will not have to battle alone, but that it may look to the governments of all the other self-governing Dominions and to the government of the Mother Country itself to co-operate with us in fighting this great combination that exists on the