

broad sense — it would be possible or expedient to take the duties off all of these products of our great industries. I say that if he were Minister of Finance for a week he would not and could not consider it. I said yesterday that the way to make a man a tariff man—I do not say a high tariff man, but a man who favoured raising a very large portion of our revenue from the tariff—was to make him Minister of Finance. Why? Because the bills are coming in every day and they have to be paid, Millions and tens of millions of dollars have to be found, and the money must be in the bank to pay our accounts. We could not find that money without a tariff. No Government in this country since Confederation has found it without a tariff. I am not speaking of whether a tariff should be high, intermediate, or low; I was only putting forward the view yesterday that the Minister of Finance in any administration will look to the tariff for a very large proportion of his revenue.

Mr. M. CLARK: The minister has asked me whether I would knock the duty off altogether. That is not a fair question under the circumstances. I am only asking for the 2½ per cent to be taken off so as to place ploughs on the same footing as manure spreaders. I am glad that the minister is taking my ground that the proper way is to begin with the coal and the iron and the steel. I want to put a question to the minister. The Western farmer has no protection at all, and his argument is that under this thing called the national policy you have to keep the duty on coal and iron and steel and ploughs, and load the whole thing on to the Western farmer. Is that a square deal? I say it is not.

At one o'clock the Committee took recess.

The Committee resumed at three o'clock.

Mr. MAHARG: The minister pointed to the duty on the raw material entering into the manufacture of these machines as one reason why there had to be a duty on the finished article. If I understand aright there is provision in the Budget for a rebate of a certain percentage of the duty on raw materials. I think it amounts to 30 per cent. Does that apply to all implements or only to those dealt with in the Budget?

Sir THOMAS WHITE: Those dealt with in the Budget.

Mr. MAHARG: Taking into consideration that rebate of the duty and the reduc-

[Sir Thomas White.]

tion in the freight, is the manufacturer of these articles not in practically the same position as he was before? In other words, the reduction in the duty is practically offset by the rebate of the duty on raw materials and reduction in the freight rates, which leaves him in practically the same position as before.

Sir THOMAS WHITE: Not in quite as good a position, he is bearing a part of the loss. I might point out what I have often pointed out in Committee and to the House: that the existing tariff is to be regarded as a structure. If the duties are reduced on a finished article there must be some modification, generally speaking, with regard to the duties on raw material and other articles purchased by the manufacturer for his production. When the 1907 tariff was devised duties were fixed upon that basis. If, for example, a change is made in a duty, then there is, generally speaking, some corresponding change necessitated in consequence in regard to raw material. The duties on agricultural implements have been fixed having regard to the factors which I mentioned this morning and which I shall not have to repeat to the Committee. In considering the question of how we could make a reduction in the existing duties we provided for the draw back to which my hon. friend has referred and also for a revision of the freight rates which would give a certain advantage. But if you take all the advantages that have been given both by way of draw back and freight reduction, the manufacturers are still bearing a portion of the reduction. I will say to my hon. friend, as I have said to the House, that we have approached this matter with a sincere desire to do all we could this year to meet the requests put forward for lower duties on agricultural implements, consistently with not doing a national damage by closing up very many establishments engaged in this industry. If I were asked whether we could have gone a half point or a point more I would sincerely say to the House that I could not say, nor could any one else. That is one reason why a deliberately considered tariff revision is necessary before duties can be finally fixed. I say quite frankly to my hon. friend, and to the Committee, that in our judgment we have done the best we could in the existing situation.

Mr. ROBB: The Minister of Finance made reference to the changes in the duty on agricultural implements and mentioned the freight concessions granted in regard to