

The total annual production of oil is something like 160,000 barrels of which total Lambton and Kent, the two counties chiefly affected, produce 145,238 barrels. It is an old industry to which the countryside has adapted itself entirely, and thriving towns have been built up. For instance, there is Petrolia, just as nice a little country town as could well be imagined, with a debenture debt of about \$450,000, incurred largely in connection with the extension of municipal activities which result from the carrying on of the oil industry in the neighborhood. The great majority of the oil producers are farmers. The production is small and the costs are fairly heavy. As matters stand to-day the House must face the wiping out of the industry entirely, which simply means that Petrolia and Oil Springs will find it difficult indeed to carry on municipally. In addition to this, the farmers of Ontario, with the American market now absolutely closed to them, and with their own market very largely open to their American competitors, are none too well-off to stand further losses.

As I said, Mr. Speaker, representations have been made to my hon. friend that the oil bounty is a matter of vital concern to these little communities. It may be said that we have little to do with local conditions there, but I do not take this view, because if production ceases in that district we will have to buy American crude to the extent probably of \$450,000 or \$500,000 annually, which will simply add that much more to the adverse drain that we are now subjected to by reason of our currency being at a discount in the United States. But this is not a political matter; it is a matter of life or death to the people interested. The representations which were being made were not made through Conservative channels, they were made through Mr. Greenizen who, if I am correctly instructed, is the president of the local reform party; that is, he is the representative in those counties of my hon. friend's government from a party standpoint. His representations have just been put into my hands, and I am going to give them to the House, so that if this proposed legislation is enacted we will understand, and the country will understand that the government do not think that the farmers of Lambton and Kent have any right to be in the oil industry. These representations are also old representations as will be apparent in a moment or two. Mr. Greenizen's letter to my hon. friend is dated April 4, 1924, and is as follows:

Dear Sir,—Referring to the recent interview Dr. Fairbank and myself had with you regarding the legisla-

tion of last session whereby the bounty on crude petroleum produced in Canada is removed, we submit for your consideration the following facts:

1. Crude petroleum was first produced in America at Oil Springs in Lambton county, in 1858. This was followed some few years later by the discovery of oil at Petrolia.

2. The discovery of oil in Canada was followed by its discovery in Pennsylvania. These early Pennsylvania wells produced such enormous quantities of oil that the home market could not absorb it, and they began shipping to Canada as this market was then free to them. This resulted in a glut of oil on the market. The flush production of our Canadian wells had greatly diminished and with the competition of free United States crude oil it was seen our Canadian oil industry was threatened with extinction. This condition of affairs was brought to the attention of the government of the Honourable Alexander Mackenzie then in power.

I pause for a moment at that point of this appeal addressed by a Liberal to the Liberal government. If there is one thing more than another that my hon. friends talk about it is the protection—no, I will not use that word, for while they mean protection they say protection is an evil—it is the adoption of such a fiscal policy as will help in the production of our raw materials. And oil is a raw material. It is a raw material of great benefit to that class of the community which my hon. friends pretend to be so much in favour of, namely, the farming class.

Mr. SPEAKER: Order. I would call the attention of hon. members on both sides to the fact that there is too much conversation going on. The Speaker can hardly hear what the hon. member is saying although he raises his voice. It is not fair to the hon. gentleman addressing the House that a general conversation should be engaged in on both sides.

Mr. GAUVREAU: There are too many reading.

Sir HENRY DRAYTON: Thank you, Mr. Speaker. That is one of the things that we have to put up with. It is something at which my hon. friends across the way are adepts. As I say, this is the production of a Canadian raw material which, according to my hon. friend's own doctrine, ought to be encouraged. And my hon. friend's predecessors in office—not their immediate predecessors, but their more distant ones, those of the Liberal faith as understood perhaps at a time when the Liberal doctrine meant something and was at least the outcome of thinking along straight lines, a doctrine that led somewhere—my hon. friend's own party gave effect to it.

This condition of affairs was brought to the attention of the government of the Honourable Alexander Mackenzie then in power. The necessity of protection for our Canadian oil industry was recognized and that government placed an import duty on crude petroleum and its products. This import duty had a stabilizing