

And that is the fact. It goes on:

As a matter of fact, American capital has in the past two years been flowing steadily into British Columbia for investment in logging, lumbering and mining enterprises. Any hesitancy we have heard expressed—

And these are business men talking, not theorists sitting in government positions.

—on the part of American investors in connection with the lumbering business has been the uncertainty of policy on the part of the provincial government in connection with strictly provincial legislation, and having nothing whatever to do with the tariff, and as stated, we do not believe that the changes which have been made on lumbering and logging equipment will have the slightest effect in stimulating the lumbering industry.

Sir HENRY DRAYTON: Who is the cabinet minister referred to?

Mr. KING (Kootenay): Just to relieve my hon. friend's mind, I might say that I, as one of the ministers, have advised them of that opinion.

Mr. LADNER: Is it then the Minister of Public Works who is referred to in this memorandum?

Mr. KING (Kootenay): I think so.

Mr. LADNER: Let us see how the memorandum concludes:

It is true that the tariff reductions doubtless will stimulate the importation of American equipment for the normal number of new installations which would take place even if no change had been made in the tariff, as well as for the replacements and repairs, but that stimulation can only be at the expense and not to the benefit of British Columbia metal trades employers. The lower tariff which the government have submitted to parliament will, we believe, jeopardize the position of the numerous British Columbia plants built up under the old tariff, will disrupt their organizations, lessen or eliminate their pay-roll entirely and ultimately react on the forcing interests who have inspired the government in bringing about this change in the tariff.

In other words not only will these industries which have been created to supply special demands in the logging and mining industries be put out of business, but logging and mining will also suffer as a result, and certainly will not benefit, as stated in this memorandum, to the slightest extent.

Mr. PRITCHARD: Does the hon. member consider that the Canadian tariff has been high enough during the last twelve or fourteen years to satisfy the manufacturers of this country?

Mr. LADNER: I have been endeavouring to show, and the point I wish to make is, that our customs duties have not been high enough, that the United States have maintained a customs tariff for the last fifty-five years that is from fifty to two hundred and fifty per cent higher than ours.

Mr. PRITCHARD: Why did not the hon. member's government make the tariff

higher when they had the privilege of doing so?

Mr. LADNER: The United States has maintained a higher tariff with the result that it has been able to build up its industries and keep its workmen at home, and we are gradually struggling to get back to this country our workmen who have left.

Mr. PRITCHARD: Why did not your government make the tariff high enough in the ten years they were in power?

Mr. LADNER: No doubt because they encountered such a vociferous and strenuous campaign, political and otherwise, from the provinces and other portions, from the members of the present government, for instance, against any raising of the tariff. But I am not speaking for the previous government. I am simply giving my own ideas based upon some study of the historical development and upon some examination of the statistical facts to-day, and I say that if we, the northern half of this continent, had maintained the tariff of the United States we would have approximated them in population and prosperity.

Mr. PRITCHARD: If the hon. member had had the tariff high enough to suit his purpose, does he think that would have prevented the emigration that has been going on from this country? Would we have been able to assimilate all our immigrants?

Mr. LADNER: How does the hon. gentleman explain that the United States have assimilated their immigration? We are not different from the United States, except that we have a greater area, a larger acreage in wheat, greater mineral and lumber resources; in fact, we excel her in all our natural resources.

Mr. PRITCHARD: Provided you had accomplished your aim, where would you have got a market for your stuff?

Mr. LADNER: We would have got a market primarily at home, because we would have had the people to consume the produce, and in addition a situation which would have attracted capital in here. That would have enabled us to expand our industries and engage in mass production like they do in the United States, and we would have to search the world for a market for our surplus production, just as the United States is doing to-day. Instead of that, we are to-day the objects of the surplus production of the United States, and our own workmen are being driven from this country because cheap goods from China and Japan, where the