

violently critical as to hurt my feelings. He has been in the Government of this country, and naturally he knows that action is much more difficult than criticism, and as he was a Minister of the Crown until the latter part of 1921, he realizes what a wrench the world war gave to the economic conditions of most countries. It is undoubtedly very difficult to readjust world conditions, and we in Canada are feeling the effects of the great war, not only upon this but upon other countries of the world, even those that did not participate in that war. All were hurt by the cataclysm.

My honourable friend asked whether we had made any progress during 1924. I believe conditions are better to-day than they were a year ago. We have had, I will not say a bountiful crop, but quite a remunerative crop in the West, and there has also been a fair crop in the East, and conditions are looking somewhat brighter.

Towards the close of his remarks my honourable friend said that his policy would be to attend to the condition of our own people and the protection of their interest through a higher tariff policy. Although he did not mention that word it is apparent what he meant, because he has criticized the preferences given to the other parts of the Empire. At the outset I draw his attention to the condition which should precede his panacea, a condition which I believe to be essential. My honourable friend holds to the doctrine that we must give the manufacturer the home market, and that this market should be protected for him.

Hon. Mr. ROBERTSON: For the workman.

Hon. Mr. DANDURAND: I draw his attention to the fact that that market must first be made valuable to him, that there must be some purchasing capacity in the market, and that there is a purchasing capacity in that market only when the vast multitude of consumers called the farming community is prosperous. Why have we felt a weakening in the development of our industrial life? It is simply because our markets could not, as heretofore, absorb the products of our industries. When the largest of all industries, the farming industry, is so paralyzed that in the turnover it can make hardly any profit, and cannot meet or can meet only with very great difficulty its notes or the interest on its notes in the banks, what happens? The consumer tells his wife and his children that they must continue to wear their old clothes, that they cannot go to the merchant's and increase their liabilities. The merchant, feeling that there is no demand, reduces his purchasing from the wholesaler, and the whole-

saler diminishes his order to the manufacturer. That is what has happened throughout the United States and Canada, and our large manufacturing institutions have been obliged to slow down a little because our people have not the requisite purchasing capacity. I repeat, the first condition for the prosperity of the country is the prosperity of the farming community. If you have no prosperous farming community it is futile to say you will build a Chinese wall around the country and will see that the community does not purchase elsewhere. The problem is a larger one than that, and cannot be solved simply by saying we will increase the tariff. It has often been said that to increase the tariff in many instances increases taxation; so that in this country, with our great geographical difficulties and conditions, we must think of something else than the tariff. It has been my experience that when there is buoyancy inside the country, when there is prosperity, we very seldom hear our friends of the industrial world complaining of the too keen competition of foreign goods. The question which faces this country is the question of cheapening transportation and the cost of production in order to give a larger margin of profit to the producers. I am speaking of the producers on the land, those who produce the greatest wealth upon which the manufacturers and others engaged in industry must principally depend for the sale of their goods.

It is unfortunate perhaps that before settling a few millions more of people in the Eastern Provinces we opened our West and extended our operations to the Rockies. Perhaps it might have been better—of course, one is always wiser after the event—to attempt the development of our Eastern Provinces and the increasing of our population there before venturing upon that expansion in the Western Provinces. However, people have settled in the West and they feel that the low price received for their product during the last few years, except last autumn, and the high cost of production and of transportation, prevent farming in the West from being remunerative. It is our imperative duty to make farming in the West profitable. If we can cheapen transportation by rail and by water, we shall have done considerable towards solving the problem.

My honourable friend (Hon. Mr. Robertson) spoke of the effort that this Government intends to make, or is making, to reduce costs of transportation on the seas. If there is clearly an autocratic monopoly on the seas, I believe that Canada in taking the lead may hope for the support of the other Dominions that are likewise suffering, and of the Mother