

dustry, the paper industry, the farm implement industry, the rubber industry, or the automobile industry. The question then arises: Can we afford to give different treatment to the greatest wealth producer of all, the agricultural industry?

What are the raw materials used in agricultural production? Building materials of all kinds, including hardware and cement, household equipment, stable equipment, farm implements, fencing materials, tools, including blacksmith and carpenters' tools, clothing boots and shoes and harness. These are some of the raw materials used in this industry and they are all taxed from 6 per cent to 35 per cent for the benefit of secondary industries.

The prices of agricultural products are fixed in the world's markets and cannot be increased at will to meet high costs of production. It will be readily seen, therefore, that the agricultural industry is working under a serious handicap when compared with other industries. In my opinion, this is the chief reason why the prosperity that is fairly general through Canada has not reached the home of the farmer. The Fordney-McCumber tariff act failed because it increased the cost of the farmer's raw materials, and gave him little or no benefits in return. The policy laid down by the Conservative party has all the earmarks and brands of the Fordney-McCumber bill. They admit that all is not well with agriculture, and they advocate an increased duty on butter. Butter costs the consumer in Ottawa 48 cents a pound to-day. How much will that price have to be increased to make the farmer prosperous? They want an increased duty on onions. Ontario grown onions are selling for 7½ cents a pound in Ottawa. They advocate an increased duty on fruits. Apples cost us in Manitoba, this winter, \$3.85 to \$4 a box for table use, and \$3 to \$3.25 for cooking apples. These boxes contain about 35 pounds of apples. They tell us that the apple growers are being forced out of business at these prices. The question naturally arises: how much must these prices be increased to make the grower prosperous, and what effect will that increase have on consumption?

The Canadian farmer knows more of economics than the farmers of any other country that I know of. He knows that increased tariffs on his products will not solve his problems. He knows that any policy which will be detrimental to the consumer will react against him, for the farmers make up more than half of the consuming public

[Mr. Bancroft.]

of Canada. He sneers at tariff walls, before which he must sell his products and behind which he must buy his raw materials.

We hear a great deal of talk about saving the home market for Canadians. Saving the home market for Canadians means, if it means anything, an embargo on imports. The farmers must export a large portion of their product; 38.5 per cent of the total exports for 1928 were made up of farm products exported in their raw state. This being true, we must receive imports in payment for these exports; for in international trading over a period of years goods are paid for with goods. If the demands of our Conservative friends for increased restrictions on imports are satisfied, the ability of Canada to export must be seriously curtailed.

Hon. gentlemen demand the exclusion of imports of the goods in which they happen to be interested. If their demands were satisfied, Canada would be reduced to ruin. It is only because the Canadian people refuse to permit embargoes on imports that we can go on selling our products abroad. So much for the amendment.

Now, my hon. friend from Battle River (Mr. Spencer) moved a subamendment which reads:

That the amendment be amended by striking out all the words after "house" and substituting therefor the following:

"urges upon the government the consideration of an immediate and substantial increase of the British preference as a step towards freer trade relations between Canada and other nations."

You will note, Mr. Speaker, that this subamendment urges upon the government the consideration of these things. Well, the government being in the act of considering them, I suppose the hon. member has all he asks for in the subamendment, because we find in the speech of the Minister of Finance that the government has been considering and is now considering this very matter. At page 594 of Hansard for this year the Minister of Finance said:

It is gratifying to note the steady development of inter-empire trade. Canada, the pioneer of the British preference, looks on empire trade as the key-stone of its external trade policy and desires in every way to foster closer trading relations throughout the British commonwealth of nations.

Further down on the same page I find the following:

Many new trade channels within the British commonwealth are being opened and, in addition, the ever-increasing number of countries with which Canada exchanges most-favoured-nation treatment assists Canadian business to establish permanently "made-in-Canada" goods on the markets of the world.