

*The Budget—Mr. Shaver*

had a value of \$490,955. These figures do not include additions made to factories or new industries. I might mention that the two gentlemen from whose reports I have quoted are prominent business men of the town and are both members of the Liberal party. It cannot be said that their reports contain any partisan bias.

The rayon industry has been extended considerably since 1930 due to the increase in duty put through in the short session of 1930. Two extensions have been made to the plant at a cost of between five and six million dollars and the number of employees have increased from 1,000 in 1930 to 1,700. These employees receive good wages and work under excellent conditions. This industry like any other textile industry prior to 1930 had to face strong competition from Europe and especially from Japan. Were it not for the dumping duties imposed by this government, for which I give them great credit, it would have been impossible to meet this competition. Every hon. member knows how the Japanese manufacturers have been getting into the markets of the world. This is the case not only with cotton and rayon, but with other manufactures. When we realize that the wages paid in Japan in a textile industry range from \$1.21 to \$1.65 for a 60 to 72 hour week, we have some idea of the living conditions of the people. Japanese rayon yarn is selling to-day in Cuba for twenty-five cents per pound, which is less than half the cost of production in Canada.

There are three cotton mills in my constituency. These mills suffered considerably because of the tariff policies of hon. gentlemen opposite. In 1922 revisions were made in the tariff on textiles, and this occurred again in 1928. This brought about increasing importations from every cotton producing country in the world, which importations were greatly accelerated by the depression. This condition was remedied to a large extent by the specific duties which were added to the ad valorem duties at the short session of 1930. Because of the empire agreements a considerable portion of the textile goods imported from the United States was diverted to Great Britain and one large American firm found it advisable to erect a branch factory in Canada. In looking for the most suitable location they chose Cornwall. This industry now gives employment to 225 people.

The fine paper industry was benefited by the repeal of tariff item 1060 and the increased duty which was placed on magazines. I understand that one of the fine paper mills in my constituency is to erect an extension this

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summer. Men's and boy's clothing manufacturing was protected by the dumping duties put through by this government. The manufacturing of furniture, fibre conduits and steel beds has received protection because of the policies of this government. Canadian Industries Limited have found it advisable to erect a new plant in my constituency at a cost of a million dollars. This plant commenced operations a few weeks ago.

During the fall session of 1932 the right hon. leader of the opposition stated that if he were returned to power he would restore duties to what they were when he left office and increase the British preferential to fifty per cent of the general tariff. He amplified this statement during this session. He is reported on page 383 of Hansard as saying that the Liberal party will abolish the extravagant increases in the tariff made by the present administration. As I have pointed out already, the increases in the tariff and the dumping duties put into effect by this administration have proved life savers for industry, not only in my constituency but in other places throughout Canada. During the same debate the right hon. leader of the opposition stated that duties were so high that goods were not coming in from Great Britain. This argument has been used time and time again. I should like to give some figures to show how incorrect this statement is. I shall give the imports from Great Britain of cotton yarn and cotton piece goods. The figures are as follows:

Cotton Yarn		Pounds
1930..	.....	1,505,900
1932..	.....	2,048,400
1934..	.....	4,097,100
Cotton Piece Goods		Square yards
1930..	.....	32,423,000
1932..	.....	27,238,000
1934..	.....	63,821,000

While it may be true that a large part of these increases was due to a shifting from other countries to the United Kingdom, yet it seems to me that these imports have reached a stage where they are proving to be a considerable handicap to the Canadian manufacturer. I want to say quite frankly that I am opposed to the reduction of one and one half per cent in the excise tax on imports of cotton from Great Britain. I was opposed also to a similar reduction made last year. The Canadian cotton manufacturer has to pay a three per cent excise tax on his imports of raw cotton, on his imports of