The Budget-Mr. Mackenzie King

before the house at the moment should receive the support of all who believe in confining legislation on tariff matters to the commons, and in doing away with the practice which has grown up under this administration of egislating on the tariff by orders in council.

Referring again for a moment to what is termed the timeworn discussion of orthodox economics may I say that nearly all the great questions which have occasioned controversy during the years are of that character. What is older than the question of the relative values of socialism and individualism? The whole argument for each will be found in the writings of Plato on the one hand and of Aristotle on the other, and from their time down to today the economic organizations of the world have been debating the relative values of those two opposing forms of social organization. Similarly they have been debating whether or not high or low tariffs or no tariffs at all were the better policy for the country concerned. No apology need be offered for bringing up what although an old question, at this present time arises in a form in which, in Canada, it has never hitherto arisen.

I have already drawn attention to the fact that we have brought forward this amendment because the subject is something we can deal with ourselves in a practical way. We can deal with it in a way that will help relieve the burdensome condition of the taxpayers of Canada and will be of service in many other directions.

A great deal has been said about Canada pointing the way. The Minister of Finance himself in his speech said he hoped that we would point the way at the coming economic conference. While the countries of the world to-day are seeking for a lead, particularly in the matter of the lowering of tariffs, why should we in this country run in the very opposite direction of putting up tariffs to a point higher than they are in any other country of the world at this time? We know moreover that high tariffs are no remedy for industrial ills. We know that in Australia and in the United States-countries that are cited over and over again as being high tariff countries-the condition of unemployment is, if anything, worse than it is in this country. We have our own experience in this matter. To-day we have the highest tariffs that Canada ever had, and we have the largest amount of unemployment we ever had. Moreover, in Australia, the people are rebelling against high tariffs. I have here, although I will not take the time to quote from it, the report of the tariff board of Australia, which was presented to the Australian parliament a short time ago. That report is one [Mr. Mackenzie King.]

of the strongest condemnations of high tariff evils that has ever been put out by any public body. It condemns high tariffs, shows how they have operated against the interests of the people of Australia, against even in many cases the interests of the very manufacturers themselves in whose behalf they were supposed to have been passed; it outlines the abuses to which high tariffs have lead, and it states, just as a former premier of Australia, Mr. Bruce, stated recently in London, that high tariffs have had their day, and that no good could be expected from them in the way of helping either industry or social conditions.

Moreover, in this country we have had the example of a practical test of the relative value-of high and low tariffs in periods of depression. When the Liberal administration came into office over ten years ago, Canada was in the throes of an industrial depression. Did we put up the tariffs? On the contrary, we lowered the tariffs-lowered them with respect to the duties on the implements of production, lowered them with respect to many things affecting the necessaries of life, lowered them in a way which would help the producers of the great basic industries and consumers generally. And what was the result? In a little time our trade began to increase. it increased, and increased, until it exceeded the bounds of anything that had been known in the way of trade and commerce since confederation. With that example before us there is no necessity of making an experiment in an opposite direction for a longer period than that experiment has already been in operation.

The Prime Minister has referred time and again to using the tariff as an instrument of national policy. He has said that it should be used to afford equality of opportunity, that is should be used for the purpose of fair competition, and in that connection he always cites the manufacturing interests of the country. May I say that I agree with him that regulations should be made to prevent dumping; I also agree that the tariff can be used, and ought to be used, effectively to safeguard the legitimate standards of labour in this country. But my right hon. friend goes further; when he says we should use this instrument as a means of bringing about what he calls "fair competition and equal opportunity," he extends the tariff to unconscionable heights in an effort so to do. I put this question to him: If the tariff can be used as an instrument of national policy by raising duties to help the manufacturing industry of this country, why might it not also be used as an instrument of national policy

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