

labour in connection with the branch in question. Now if one manufacturer takes that stand and imports his yarns what will be the result? Every other manufacturer in Canada will do the same. The Minister of Trade and Commerce (Mr. Malcolm) shakes his head, but I will guarantee that is the very course they will pursue. Every other man in the yarn business will have to import his yarn in order to compete with the manufacturer who first adopted that policy.

Mr. MALCOLM: My hon. friend realizes, of course, that free yarn is only intended for one class of the industry.

Mr. ROSS (Kingston): That is what I mean. I am only referring to one class. I do not know what would happen if it were pursued generally.

Mr. MALCOLM: A great deal of yarn is imported now.

Mr. ROSS (Kingston): That is all I wish to say in regard to that matter. I have said sufficient if I have shown what the effect will be upon one branch of the woollen industry. Every manufacturer in that branch will necessarily have to do the same as the other manufacturer who imports his yarns in order to compete with him. The result will be that the labour engaged in that particular branch will be thrown out of employment and, in effect, will be told by the government to seek work in the United States or wherever they can get it.

The government claims that it is reducing taxation, but we on this side do not agree that the claim is justified. When you reduce the income tax you affect, as was said to-day, only 116,000 people in this country. But when you retain your sales tax, the abolition of which we urge in our amendment, you are touching all the people in the country. The collection of taxation in this form affects the poor people to a greater degree than any other class. During its term in office the government has taken out of the people from this source \$472,888,973. The largest amount taken from the people by the Conservative government was some \$38,000,000. The present government took over \$100,000,000 when it increased the sales tax to 6 per cent. We think the sales tax should be wiped out. Let me give the exact figures of the amounts which this government has collected in taxation of this character from the poor people of this country. In 1921-22 they collected \$61,520,687.79, having increased the tax to 4 per cent. In 1922-23, they collected \$91,262,254.13. In 1923-24 they increased the tax to 6 per cent and collected \$100,980,076.80.

In 1924-25 the government reduced the tax to 5 per cent—this is what they call reducing taxation—and they collected \$62,795,183.84. In 1925-26 they collected \$74,025,093, and in 1926-27 they collected \$82,305,670, a total of \$472,888,973 raised from the sales tax. They took this enormous amount of money out of the poor people of the country, and in view of the fact that they are making great professions of economy and that the present Minister of Immigration and Colonization when sitting on this side of the house demanded rigid economy, the government would be well advised to wipe out the sales tax. I should like to quote from a little article which I read the other day in regard to cloth, and if you want to substitute any other article of manufacture, it will meet the situation just as well. This was the policy adopted by England when she was labouring to get herself into a good sound position:

Cloth is to be sold rather than wool, finished cloth rather than unfinished, the more highly worked cloths rather than the simpler fabrics, the dyed rather than the undyed, dyed with English colours rather than foreign colours, and all with the object that the subjects of the realm may take as much benefit as possible.

Mr. ADSHEAD: What is the date of that?

Mr. ROSS (Kingston): About 1714. That was England's policy and it is her standing policy to-day. I should draw the attention of the hon. gentleman to the fact that England secured her position through protection, and this is one of the policies that she adopted. This is another, which follows upon it, and which I would also ask the government to accept:

That the importation of such goods as hinder the consumption of our own or check the progress of any of our manufactures is a visible disadvantage, and necessarily tends to the ruin of multitudes of people.

That is a policy which this government has absolutely ignored. The Minister of Agriculture (Mr. Motherwell) sits complacently in his seat while some other ministers put it all over his department with the Australian and New Zealand treaties. The result is that he rarely ventures to meet the dairymen's conventions or associations of this country because they have a few questions to ask him. He is an artful dodger.

In conclusion, I should like to say that if any country ever was blessed with an opportunity to formulate a national policy, this country is the one. No government ever had a better opportunity to evolve a policy that would be founded upon national interests. We have in Canada unlimited resources, any one of which will develop an integrated industry, and yet we are sending out our ores,