

*The Budget—Mr. Ladner*

Mr. STEWART (Argenteuil): Are the loggers not responsible?

Mr. LADNER: I made no suggestion that they were not; I simply say that those signing this document are responsible persons. There may be two sets of responsible persons. But the data accurately worked out here shows that the small amount which would be saved the logger on certain machines would be merely a drop in the bucket so far as his financial activities and his investments are concerned. On one large machine involving some thousands of dollars the reduction in duties enables the logger to save perhaps, \$200 or \$300, but his investment in the business to make it successful is so large that the saving of this two or three hundred dollars will make him neither wealthy nor prosperous, but will in the end put out of business the people who are manufacturing these particular articles. The absurdity of such a policy as that must be apparent to hon. gentlemen opposite. Suppose a man built a sawmill requiring a planer. He may spend perhaps \$100,000 in constructing that sawmill.

Mr. STEWART (Argenteuil): Has not the manufacturer of the articles my hon. friend is mentioning still the benefit of 20 per cent protection?

Mr. LADNER: Protection in what?

Mr. STEWART (Argenteuil): Does he not get 20 per cent on those machines?

Mr. LADNER: Twenty per cent, certainly, but I am endeavouring to show—

Mr. MOTHERWELL: That is twice too high now.

Mr. LADNER: The Minister of Agriculture says it is twice too high now. He is trying to do what will meet with the approval of the grain exporter; he is not so much concerned about the industries of our country as he is about getting the maximum price for his grain and in producing it as cheaply as possible. That is reasonable; nobody objects to that, but I say we must take a national view of this question, not a local or parochial view, such as was taken by the Minister of Agriculture throughout his speech the other day. We must take a broader view of it, and my contention on machinery is this: While you may save two or three hundred dollars on your planer, that is a mere drop in the bucket compared with a capital investment of \$100,000 in your sawmill, and it will neither make the enterprise successful nor materially interrupt or interfere with the dividends; but by reducing the duties you put out of employment the men in British Co-

[Mr. Ladner.]

lumbia who are making the machinery. What good is there in that? These firms who are making the machinery employ people who make their homes there, and must buy lumber to build their homes, and in that way they help build up the cities and towns and make the country grow. The United States has endeavoured to keep her workmen and her business men at home by creating the economic barrier of a tariff around the country, so that Chinese and oriental labour and the cheap labour of Europe cannot flow in and compete with their own workmen. But the policy of this government is to drive from this country not only the industries, but the many thousands of people who work in them, and this budget, as I said before, affects one-third of the industries of our province.

Now I would like to read one or two extracts from this memorandum issued by the Metal Trades Employers' Section of the Canadian Manufacturers' Association and sent to the government:

It might not be out of place to point out that no change is provided for in the budget in the protection afforded the Canadian manufacturers of other types of rolling stock. Evidently, Canadian railways are able to buy satisfactory equipment from Canadian car manufacturing plants, and are satisfied with the prices charged by those plants in comparison with the prices obtaining on box, flat, gondola and other cars in general use in the United States.

We therefore fail to see the justice of singling out one class of manufacturer turning out a type of equipment peculiar to the requirements of British Columbia, as has been done by the government in reducing the duty on logging cars from 30 per cent to 20 per cent.

I ask hon. gentlemen opposite, and particularly the Minister of Public Works (Mr. King, Kootenay), who comes from British Columbia, what possible answer there can be to the statements contained here. Why have they killed or are killing this industry which makes a type of rolling stock peculiar to the requirements of British Columbia while at the same time they leave the great industries of this country which make cars for the railways free from tariff reductions. Where is the justice in that? It seems to be the very consummation of iniquity. This memorandum concludes with this very significant statement, and one of the members of the cabinet will be interested in this assertion contained in this memorandum, which is signed on behalf of these thirty-seven firms in Vancouver and other parts of the province:

One of the federal cabinet ministers in reply to representations made to him in this connection states that the government believes that the tariff reductions will stimulate industry in British Columbia and create a larger market for the product of the British Columbia machinery manufacturers. We are not prepared to admit that these tariff reductions will stimulate the logging, lumbering or mining industries in British Columbia to the slightest degree.