

on both sides of the House, and it is sometimes wondered why this argument never ends, and why someone does not establish which side is right. I think the reason is self-evident. When a man, for various reasons, has grown up imbued with free trade or protective ideas, he approaches all arguments of this kind looking only for proof in support of his own belief, and for that reason we are never enabled to come to a sound conclusion. I think, however, that we can well afford to look at a few essential facts which do not admit of argument. Let me say at the outset that I believe protection is the settled policy of Canada, and in spite of arguments made in this House, in spite of the personal beliefs of other hon. members, I believe Canada will continue to maintain protection as a settled policy. The time has arrived when it is vitally necessary to announce that policy to the world in general, in order that everyone may know what is our policy. We have only to look at some of the highly protected countries to realize that in those countries there is very little unemployment, wages are comparatively high and goods are cheap. We have only to consider our nearest neighbour for proof of those statements, and when we accept those essential facts we must surely realize the futility of advocating free trade for a country such as Canada. As proof of that we have, I submit, the determined requests and repeated arguments on the part of those who profess to believe in free trade for a lowering of our tariff barriers, in order to permit cheap goods produced under high wage conditions to enter from the United States. That shows, I submit, how foolish is the argument that protection increases prices. I admit that that is so under certain circumstances, but it is not always the case. Those countries which have consistently pursued a policy of protection find themselves to-day almost without exception with very little unemployment, with a satisfactory scale of wages and the ability to produce cheap goods in large quantities. So much is that the case with our neighbour to the south that we look upon her with jealous eyes, and some of us advocate a reduction of duties in order that we may purchase these cheap goods, produced in a highly protected country.

Having declared that protection is the settled policy of Canada, or that such should be the case, our main concern must be to see that, so far as it is humanly possible, it is equally and fairly distributed. This has not always been the case in the past, but let me say that the policy of the Conservative party, as I conceive it, is not one apply-

ing to individuals or separate interests but one which considers rather the protection of Canada as a whole, and we should approach discussion of this subject in that spirit only.

Why should we have a protective policy at all? Let me remind hon. members of this well known fact, that there are certain expenses incidental to all methods and forms of government. We pay certain municipal taxes, school taxes, direct or indirect provincial taxes, as well as federal taxes. These comprise our contribution to the expense of government, to the overhead necessary to run the business of this Dominion. The man who comes to Canada and invests his capital in Canadian enterprise or industry, whether in a farm, a factory or a mine, assumes his share of that overhead and pays without complaint his share of the expenses of the country. In return for that payment he receives, or should receive, the privilege of supplying goods to the home market. The producer of similar goods in any other country who gains possession of our market pays nothing in taxation and does not carry one ounce of the load of taxation; that market to him is a free gift. I say without hesitation that the average protection Canada should have, the very least under which she can exist, is a protection sufficiently high in favour of the home worker and producer to enable him to carry that burden. Then and then only, is he placed on a parity with his competitor from outside.

It has been calculated that the total amount of our overhead, including all forms of government, is about 17 per cent of our production, and therefore the least possible protection Canada should have must average about 17 per cent. As a matter of fact we do not have more than that at present. When we consider the question in this light we realize that all through the past years Conservative and Liberal governments, no matter what their policies or professions were, when faced with the responsibilities of office have kept the measure of protection at about that level. That explains why the Laurier-Fielding government, which was largely elected on a policy of free trade, not only kept the average at that level, but in certain particulars raised it, so in the general result the average during that period was fully as high as, if not higher than under the Macdonald tariff.

I venture to assert that if the Progressive party or my friends from Saskatchewan who profess to believe in the merits of free trade were suddenly faced with the responsibility of government, knowing all the facts of the case they would not have the courage to re-