

degree, and second to lower the scale of tariff on necessities of life as far as possible. Liberals stood against tariff for the interest of trusts, combines and monopolies; theirs was a policy for the people of Canada as a whole.

At Regina I am reported in the Edmonton Bulletin of November 16, 1921, in these words:

His policy, he said, was one of downward revision, with the lightening of the tariff burden on implements of production in the basic industries and on the necessities of life.

The Moose Jaw Times on November 18, 1921, contained the following report:

We should view the tariff in the light of what is best for the Dominion as a whole. If life will be made easier for the great majority and greater prosperity for the masses will ensue, then we should revise the tariff. The tax on necessities is now too high and the way to lower this is to revise the tariff. Greater production and greater demand will follow cheaper prices.

The basic wealth of Canada is derived from four great industries. These are agriculture, mining, fishing and forestry. It requires implements and tools to turn these into a state for consumption. These implements can be regarded as capital. That being the case, it is a foolish policy as any financier will tell you to tax capital. Yet a heavy tax is put upon these. The reason why we advocate a lower tariff on implements is that it will make the finished product that much cheaper. In this manner, production will increase.

Our policy is not a tariff for protection of special interests but simply a tariff for purposes of raising revenue. The present tariff must be revised to help production. Where it bears too heavily on any one class it should be lowered and this is the case regarding implements and tools.

I might quote from many more speeches and publications but I think these should suffice to disclose what was said by me during the campaign of 1921 as to the Liberal policy on the tariff.

I submit, Mr. Speaker, that after listening to what I have quoted no hon. member with a sense of fair play can say that in the last campaign the Liberal party did not make its position known with respect to a reduction in the tariff on implements of production, as we are seeking to carry it out at the present time. These few quotations—only a few out of the total number—show that during the campaign on every platform—I repeat, on every platform—I emphasized the two outstanding features of the Liberal policy: Reduction of the cost of living by a reduction of some of the duties on the necessities of life, and by a reduction of duties on the implements of production in the basic industries of agriculture, lumbering, mining and fishing. That was the line of policy which Liberals took in the general election. It was in virtue of what was then represented that we were returned to power. If we have not sooner carried out that policy in the measure which we have to-day, it is because we also stated that we would have

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to have regard for revenue, and until we got to the point where we were able to balance our budget and to reduce taxes, we did not feel justified in taking the step we have now taken. But having come to that point, having found we were able to save the people \$24,000,000 in taxes, we have taken the first opportunity we have had to carry out in a consistent and real way the pledge and the promise which we made the people, and on which we were returned, namely, to reduce the duties on the implements of production in the basic industries enumerated in the budget.

Now, Sir, let me say a word or two with reference to the amendment moved by the hon. member for Centre Winnipeg (Mr. Woodsworth). After listening to the quotations I have read my hon. friend will see that the Liberal party is committed to reduce the duties on the necessities of life to help bring down the cost of living. I submit that we are doing this in the most effective way when we reduce the duties on the implements of production in these basic industries, because as I have shown this afternoon, and I think conclusively, as you cheapen the

9 p.m. raw material in these basic industries you help in the course of the natural working out of things to reduce the prices of commodities as they become available for consumers from one end of the country to the other. In that way we feel we are doing a great deal. But in the preceding sessions we have also done quite a little in the way of reducing duties on implements of production and also on some of the necessities of life, and those reductions must be taken into account in considering what we are doing to reduce the cost of living. Also, what we have done by way of reduction of the sales tax should not be lost sight of. I am sure my hon. friend will agree with me that there is no desire on my part not to have everything done that can be done for consumers; but there are ways of and times for doing all things. You can go so far; if you go too far you sometimes do harm in the direction in which you wish to do good.

The amendment is as follows:—

That all the words after "that" be struck out and the following substituted therefor—

Whereas the budget proposals would seem to indicate the recognition by the government of the necessity for a fiscal policy designed to encourage industries based upon the development of the natural resources of the country, and to afford some alleviation of the financial burdens bearing upon the people;

And whereas the condition of such industries and the position of consumers in general is such as to demand relief

Therefore, be it resolved:—