

"would have been entirely conservative and proper, as the earnings for the current year are at the rate of 15 per cent after paying preferred dividends." Some other companies were as profitable.

American wages, measured in dollars, are the highest ever, largely because the tariff is exorbitant and profiteering, instead of honestly protective. Wages must keep up with living costs, even if the latter are not honest.

These and similar excessive costs of materials and wages and of freights, which are high for the same reason, (railroad equipment is figured on the above steel basis), make the factory cost of farm implements at least 10 per cent above honest protection, and likely 15 per cent. At 10 per cent excess cost the implement factories are obliged, if they live, to pass this excess cost on in the sum of \$50,000,000 annually; further increased as the implements pass to the wholesaler, to the retailer and on to the farmer, to a total of \$100,000,000.

Farmers cannot pass this \$100,000,000 on to their consumers because 89 per cent of all American farm products are sold on free trade or export basis.

Farmers constitute 29 per cent of our population and fully one-third of its purchasing power; for farmers, as users of machinery and other appliances, are far greater purchasers than average citizens. Also farmers pay 40 per cent of all railway charges—far more than average citizens.

Again, on page 27, there is another paragraph headed. "Heavy Steel Products", which I would like to read:

Extensive analysis of the seven basic steel industries, pig iron, bar steel, rails, structural iron, cast and wrought iron pipe, tinplate and terneplate, and wire, and wire work shows that Congress in the Fordney law gave these industries the privilege of adding \$351,000,000 to their prices, to cost consumers twice the sum at retail and in amortization charges, or \$702,000,000.

Since the great steel consolidations, these industries have charged all the traffic will bear. It is over-conservative to estimate that only one-half of the above tariff allowance is added by them to their prices, or \$175,000,000 to the United States as a whole, to be doubled at retail or by amortization charges in freights and buildings, etc., making a total cost to American consumers of \$350,000,000, or an average of \$3.50 per capita. The steel duty, however, costs farmers half as much again as other citizens, or \$158,000,000 all told, for farmers are among our greatest consumers of steel, in machinery, in automobiles, and in the transportation of their crops on the railways.

There is no reason for this tariff except price-raising. We are the greatest and cheapest producers of steel on earth. Steel producers say so. We exported in the three years 1919-1921, of these heavy steel products, \$733,787,285, against imports of \$34,786,900. Exports were twenty times greater than imports. Exclusive of pig iron, which we are willing to export only in more highly finished products, we exported 50 times more than we imported.

The heavy steel duties are an enslavement of the public to a few of the wealthiest corporations in the world. Their annual profits aggregate hundreds of millions of dollars. The duties on these heavy steel products show clearly the difference in the value of duties to manufacturers and to farmers. Manufacturers, when they will, if only by winks and nods, can agree on prices and add all their duties to their prices.

When the steel schedules was before the Senate, Senator Underwood, of Alabama said: "I am in the business myself. I represent a great iron and steel district. I would not willingly harm a people that I

represented, but neither would I willingly betray a people I represented by taxing them unjustly for special interests. I know this iron and steel schedule, and I know that it is a fraud and a sham upon the people of this country. I know that it is not even in the interest of the industry in the end. It can compete anywhere in the world. We are the master iron makers of the world.

"Where the fallacy of this argument comes is that under the guise of doing something to help the farmers in some particular item, their support is asked for a bill of which, as a whole, it seems that for every dollar the farmers may derive from the bill they will pay \$100 in taxes for the benefit of somebody else."

I read that, Mr. Speaker, to show the hon. member for Nanaimo (Mr. Dickie) that it cost the people of the United States something to build up the great iron and steel industry they have there.

Speaking a few days ago, the hon. member for Vancouver Centre (Mr. Stevens) said:—

The present reduction in the duty on logging machinery will affect thirty seven firms in British Columbia who are now producing this class of machinery at a cost no higher than is the production cost and the sale price in the State of Washington and taking no advantage of the duty.

Now, I have here a comparative list of prices published by the British Columbia Loggers' Association, as follows:

	Seattle Price	Vancouver Price
12 x 14 Two Speed Yarder...	\$10,000	\$13,692
12 x 17 Simplex...	10,400	14,233
9 x 10 Duplex...	5,925	8,104
Locomotive 50 ton...	18,833	25,688
Locomotive 60 ton...	21,277	29,702
Locomotive 70 ton...	24,000	33,533
High Lead Block 30 x 5...	261	373
High Lead Block 35 x 5...	319	457
Loading Block 14 x 2 1/2...	91	132
Loading Block 18 x 2...	128	184

Mr. LADNER: Are not those the prices in the State of Washington, not in Canada.

Mr. BANCROFT: It is the Seattle price in the one case, and the Vancouver price in the other. The two cities are from seventy to ninety miles apart, and the water freight rate should be added.

The hon. member for Kingston (Mr. Ross) speaking the other day referred to the slave labour of the southern states, and stated that where there is low tariff there is cheap labour. Now, Mr. Speaker, slave labour is not cheap labour. It is admittedly the most expensive labour there is, owing to its comparative inefficiency. The most highly paid labour as a rule is the most efficient, but high money wages are not necessarily high wages. In low tariff countries at normal times money wages may be lower than in some highly protected countries but their purchasing power is much greater, and the workers are better off on that account. What makes low tariff coun-