

## THIRD READING

Hon. Mr. DANDURAND: With leave, I move the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

## CUSTOMS TARIFF BILL

## FIRST READING

A message was received from the House of Commons with Bill 121, an Act to amend the Customs Tariff.

The Bill was read the first time.

## SECOND READING

Hon. RAOUL DANDURAND: Honourable senators, with leave, I move the second reading of the Bill now. This measure is consequential upon the budget that was adopted in the other House. The schedules indicate the tariff items and cover a wide range of changes.

Right Hon. Mr. MEIGHEN: Which are the furniture items?

Hon. Mr. DANDURAND: I have a vague impression that there is an increase of duties, which will do less violence to the principles of my right honourable friend than to mine.

Right Hon. ARTHUR MEIGHEN: Honourable senators, as I sat reading this measure I could not but lament that the clarion voice of our old and dear friend, the late Dr. Michael Clark, could not be heard upon this Bill. I see it fixes duties up to 45 per cent on many lines of manufactured articles. I know, though I have not observed the particular items, that the Bill very substantially raises the tariff on furniture. I judge that in the schedules there are three or four hundred articles apparently entitled to the benevolent eye of the Government. This is a loud, resounding proclamation of the value of protection in this country.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: One cannot but admire the steady progress made by the doctrine, especially when it reaches the master mind of the present Minister of Finance.

Right Hon. Mr. GRAHAM: We all change our minds on that.

Right Hon. Mr. MEIGHEN: What a long road we have travelled from the days of his early speeches in the province of Saskatchewan! But all this is to his credit. It is just an illustration of the mighty and irresistible power of truth. Enlightenment marches on silently, but without impediment, like the spreading light of dawn.

Hon. Mr. DANDURAND: I was not directly in the fray in September, 1878—I think, the 17th—when the National Policy carried the day under John A. Macdonald, as he then was, against the Government which had at its head Alexander Mackenzie. But for some years after entering the political field—should I say as an amateur?—for I was a law-student of about nineteen years of age, I am ashamed to say—I took part in the campaign for freer trade. I remember my first speeches bore on Protection and Free Trade and the construction of the Canadian Pacific Railway. Of economics I thought then I knew more than I know to-day. Of course I had read Bright's and Cobden's speeches, and I observed that the only justification for protection would be in a young country where it was desired to establish industries in competition with industries in a highly industrialized neighbouring country. But we were warned: "Be careful about those native industries. The more they grow, the more they will claim the privilege of protection against foreign competition." It would be interesting to know how many of the industries established under the National Policy in 1879 have not insisted on and obtained larger and still larger measures of protection. My right honourable friend is quite correct in suggesting that, as we on this side are for freer trade, we should be the champions of tariff reduction. Well, I think that we have not been altogether remiss in our duty in that direction.

Right Hon. Mr. MEIGHEN: With many exceptions.

Hon. Mr. DANDURAND: We have in our modifications of the Ottawa agreements tried to reduce tariff rates, and we have done so in our reciprocity convention with the United States. We are carrying out the same principle in our trade agreements with other countries to which we grant, and by which we are granted, most-favoured-nation treatment. I remember an eloquent speech by my honourable friend from Montarville (Hon. Mr. Beaubien) in which he argued that this most-favoured-nation treatment clause produced reduction of duties, and that this reduction was detrimental to our industries.

Of course, a Government must face present conditions. Industries have been established which give employment to thousands of workmen, and in any revision of duty we must proceed prudently so as not to disturb violently the prevailing conditions.

Right Hon. Mr. MEIGHEN: The increase in furniture duties is made, I suppose, so as not to disturb that industry violently.