

REMUNERATION TO INFORMANTS

On the Orders of the Day.

Mr. MARTELL: In reference to resolution No. 25 which stands in my name, can the Prime Minister tell me when I will have an opportunity of discussing before the House the question of paying to informants a moiety of the fines imposed in the cases referred to in the resolution.

Mr. MACKENZIE KING: I think the resolution has been called a number of times when the hon. member was not here.

THE BUDGET

CONTINUATION OF DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE ACTING MINISTER OF FINANCE

The House resumed from Tuesday, May 13, the debate on the motion of Hon. J. A. Robb (Acting Minister of Finance) that Mr. Speaker do now leave the chair for the House to go into committee of Ways and Means and the proposed amendment thereto of Mr. Woodsworth.

Mr. R. A. HOEY (Springfield): Before undertaking a discussion of the proposals submitted by the Acting Minister of Finance (Mr. Robb) in his annual budget, and the subject matter relevant thereto, there are one or two matters, perhaps of minor importance, with which I would like to deal. The first, Mr. Speaker, is a letter by Mr. John Stuart Mill quoted in the course of this debate by the hon. member for Fort William and Rainy River (Mr. Manion) with the object of showing that that eminent authority, at a certain stage in his career at least, was in favour of a protective policy provided the conditions were not normal and the circumstances somewhat unusual. I have in my hand *The Letters of John Stuart Mill*, edited by Hugh Elliot. In the second volume at page 27 appears a letter written by John Stuart Mill to a friend in Australia, in which he seeks to explain just what he had in mind in his former communication and places his own interpretation thereon. The letter is brief, and I should like to quote it in full:

I have just received your letter dated 25th February. It is a great compliment to me that my supposed opinions should have had the influence you ascribe to them in Australia. But there seems to have been a considerable degree of misunderstanding about what they are. The fault probably lies with myself in not having explained them sufficiently. I have entered rather more fully into the subject in the new editions published this spring, but not to give you the trouble of referring to them, I can have no difficulty in saying that I never for a moment thought of recommending or countenancing in a new colony more than

elsewhere a general protective policy or a system of duties on imported commodities, such as that which has recently passed the representative assembly of your colony. What I had in view was this: If there is some particular branch of industry not hitherto carried on in the country, but which individuals or associations possessed of the necessary capital are ready and desirous to naturalize; and if these persons can satisfy the legislature that after their workpeople are fully trained, and the difficulties of the first introduction surmounted they shall probably be able to produce the article as cheap or cheaper than the price at which it can be imported, but that they cannot do so without the temporary aid either of a subsidy from the government or of a protecting duty; then it may sometimes be a good calculation for the future interests of the country to make a temporary sacrifice by granting a moderate protecting duty for a certain limited number of years, say ten or at the very most twenty, during the latter part of which the duty should be on a gradually diminishing scale, and at the end of which it should expire. You see how far this doctrine is from supporting the fabric of protectionist doctrine in behalf of which its aid has been invoked.

There is just another quotation which is very brief. This letter was written to the New York Liberal Club. In response to a hint from the secretary, Mr. Mill responded by a letter on protection as follows:

I hold every form of what is called protection to be an employment of the powers of government to tax the many with the intention of promoting the pecuniary gains of a few. I see the intention, because even that desired object is very often not attained, and never to the extent that is expected, but whatever gain there is is made by the few and them alone, for the labouring people employed in the protective branches of industry are not benefited. Wages do not range higher in the protected than in other employments; they depend on the general rate of the remuneration of labour in the country, and if the demand for particular kinds of labour is artificially increased the consequence is merely that labour is attracted from other occupations, so that employment is given in the protected trades to a greater number but not at higher remuneration. The gain by protection, when there is gain is for the employers alone. Such legislation was worthy of Great Britain under her unreformed constitution when the powers of legislation were in the hands of a limited class of great landowners and wealthy manufacturers. But in a democratic nation like the United States it is a signal instance of dupery, and I have a higher opinion of the intelligence of the American many than to believe that a handful of manufacturers will be able to retain by fallacy and sophistry that power of levying a toll on every other person's earnings, which the powerful aristocracy of England, with all their political ascendancy and social prestige, have not been able to keep possession of.

The next quotation was one referred to a few days ago. It was ascribed to the venerable American statesman, Abraham Lincoln, which ascription I contend has absolutely no basis in historic fact. This quotation played a very important part in the campaign of 1921. There was scarcely a Conservative committee room, Mr. Speaker, in the city of Winnipeg in which this quotation was not displayed in large and conspicuous letters. I challenged its authenticity then, but I little thought that I would