

member for North Lanark says: No; as goods decrease in value so we will increase the taxes you pay, so that at no time and under no circumstances can you hope to have cheaper goods than you had in former years.

The hon. gentleman went on to deny certain statements made by my hon. friend to my left (Sir Richard Cartwright) with regard to the volume of taxation paid by the people of this country. I hoped that an hon. gentleman of the care and prudence of the hon. member for North Lanark, would have gone further than a mere denial of my hon. friend's statements. I thought, from the vigour with which the hon. gentleman denied the truth of the statement, that he would be at least prepared to advance some fact or argument in support of his denial. But the hon. gentleman seemed satisfied to place his denial against the statement of my hon. friend beside me, oblivious of the fact that when my hon. friend here made his statement as to the volume of taxation borne by the people of this country, he enforced it by illustration and argument, and by facts from the public records, so manly, so vigorous and so clear, that, unless these are controverted, the conclusions he drew must be accepted by every fair-minded man. Now, Sir, the hon. gentleman denied that any taxation is paid by the people beyond that which goes into the treasury. But the hon. gentleman must see that the statement made by my hon. friend from South Oxford went to this length, that where a tariff acts as a protective tariff, where it has that object and effects that object, excluding all foreign manufactured goods from the country, it does so with the object of compelling people to purchase goods made at home; and the competition which would result from the influx of foreign goods being excluded, the consumer is compelled to pay to the home manufacturer for the goods he buys as much or almost as much as if they had been imported from abroad and the tariff tax paid the Government on them. In other words, the protective tariff is framed to compel the purchaser of goods to buy the article made at home, and to pay for that article as much as the foreign article when imported and the duty paid on it can be sold for. So that the purchaser in each case pays the duty. In the one case to the treasury. In the other to the home manufacturer. So that one of the main grounds of complaint which the tariff reformers have against the existing tariff is this, that in addition to a very large amount more than is necessary which is paid into the treasury of the country on foreign goods imported there is the enormous sum of money which we pay, and which we are compelled to pay, to the manufacturer of the home-made goods, which never goes into the treasury at all. That is one of the chief

grounds of our complaint against this protective tariff.

The hon. gentleman went on further to say that he saw no reason to complain of the Government's policy in offering a rebate of 99 per cent to the manufacturers on those articles which enter into the manufacture of their goods. Well, from the standpoint of an extreme protectionist, I dare say there may be some grounds for the hon. gentleman's contention. It may be right, it may be fair; but let me point out to the hon. gentleman one or two things involved in that contention. It was contended some years ago by those who advocated a protective system, that the consumer did not pay the duty at all; the duty was paid by the foreign manufacturer or merchant from whom the goods were bought. If these taxes on the raw materials on which the rebate is given are not paid by the manufacturer here, but if they are paid by the man from whom he bought them, then a gross and grievous wrong is perpetrated when he is repaid money that he did not pay out. That will be conceded. If, on the contrary, he does pay that out of his own pocket, then the argument that the consumer, or the person who imports, does not pay, goes to the winds. I think that will be conceded by the hon. gentleman. But one ground upon which they claim that they have any right whatever to a rebate of this duty, is the ground that the man who imports pays the taxes himself; and if he is going to export the goods again to sell them abroad, he has a right to have the tax he has paid on this raw material, rebated to him. Then so much is conceded, the ground is clear thus far—the consumer does pay the duty. At any rate hereafter we will not have the cry proclaimed throughout the country that the consumer does not pay at all, but that somebody in a foreign country does.

Now, I would like to call my hon. friend's attention to another curious anomaly which exists, the injustice of which he does not see, or professes not to see. We have a firm manufacturing, we will say, agricultural implements. They pay \$10, \$15 or \$20 duty upon the raw material which enters into the manufactured article. They ship off an agricultural implement to the North-west Territories, and they ship off a similar one to the Argentine Republic. They are permitted by the Government to sell, they are encouraged by the policy of the Government to sell that machine \$10, or \$20, or \$30 less to the Argentine farmer than they are permitted to sell it to the North-west farmer. The Argentine farmer and the North-west farmer are producing the same things and compete with each other in the markets of the world; therefore our Government pursues a policy which permits and encourages the manufacturer of goods in this country to