

gas meters, flashlights, headlights, enamelled hollow ware, plain hollow ware and tinware for shipping milk or cream. I am not going to say very much about tea; there will be no argument about that, but I might mention that there have been reductions under all tariffs on hand or power washing machines, sewing machines, vacuum cleaners, floor polishers and domestic refrigerators. There have been reductions also in the British preference rate on enamelled kitchenware, enamelled bath tubs, lavatory equipment and so on, which Great Britain is equipped to produce. All parts of Canada will benefit by this reduction. Reductions ranging from 7 to 15 cents per pound have been made effective on tea already.

Mr. SHORT: Where do you get the 15 cents?

Mr. STEWART (Edmonton): The large companies advertised in the press that all retailers had received instructions to cut prices immediately, and this reduction became instantly effective throughout Canada. All householders should benefit by the free entry from Great Britain and her colonies of tableware, china and porcelain. This trade runs to about \$4,000,000 annually, and the greatly increased spread should divert it almost entirely to Great Britain. Surely this will mean something to the Canadian consumer, and it will mean also an increase in our trade with the mother country.

Western Canada in particular has gone in for the wide development of rural hospitals. The budget puts on the free list, under all tariffs, an extremely wide range of hospital supplies and equipment, much of which formerly entered Canada from the United States at rates ranging from 17½ per cent to 35 per cent. This reduction directly affects the ordinary citizens in every province.

This budget, Mr. Speaker, is not a free trade budget, nor can it be construed to be a protectionist budget.

An hon. MEMBER: What is it?

Mr. STEWART (Edmonton): I know my hon. friends will take a lot of time pointing out what they consider to be weaknesses in the budget, but they will have a hard task ahead of them. Neither can this budget be said to set up a revenue tariff. What we are endeavouring to do is to transfer our trade to Great Britain and countries which are willing to trade with us, but realizing the situation as it exists to-day the government, after a most complete investigation by the tariff board, have endeavoured so to adjust the tariff as to give the maximum possible scope to international

[Mr. C. A. Stewart.]

trade, upon which we know the prosperity of every country rests. It is not designed in the spirit of irrational, extreme, economic nationalism which is rampant to-day throughout the world and with which Canada shows some signs of being affected.

Mr. DEPUTY SPEAKER: The hon. gentleman's time is up.

Mr. STEWART (Edmonton): Just one further word and I am through. I think the Minister of Finance has shown remarkable skill in producing a tariff which comes so near to pleasing all kinds of divergent opinions, which does not seek to exact any substantial sacrifice from any considerable section of the Canadian people and which will be fully appreciated only when the full effects of the changes become apparent.

Hon. J. D. CHAPLIN (Lincoln): Mr. Speaker, I do not intend to follow the remarks of the minister closely; having only forty minutes I have something to say in addition to what he has said already, but I do want to say that I do not understand how we can get a reduction of 15 cents on tea when the duty was only 7 cents and 10 cents. One of the largest tea dealers in Canada advertises reductions of 10 cents and 7 cents per pound, but there is no mention of a reduction of 15 cents. I would like to know how a duty of 7 cents can be magnified into one of 15 cents.

An hon. MEMBER: It is a mystery.

Mr. CHAPLIN: Oh, yes, it is a mystery. I denied the statement of the hon. minister that this budget would bring any trade to Great Britain. He referred especially to saw steel, and he told us that no one could deny that that item being in the British preference would bring trade to Great Britain. I know something about that business. Twenty years or more ago we purchased from Great Britain every pound of saw steel used in this country. For the last twenty years we have not followed that course. Why? In the first place, there are three or four American saw companies who have branch factories in Canada. The steel is manufactured by them in the United States and shipped to these factories. Does it seem reasonable that any one of those companies will buy British steel to manufacture saws in Canada, no matter what the duty may be.

An hon. MEMBER: It would come in at a cheaper rate.

Mr. CHAPLIN: Why did we stop purchasing from Great Britain, especially when the duty was lower on goods imported from