can best pay the revenue is able to pass on the tariff charges to the worker or to the agriculturist. Only $58,500,000, an infinitesimal amount compared with the boasted prosperity, was collected from income which is based on dividends from capital invested in urban industries and the profits of bankers, loan companies and others who thrive on other people's adversities. There was collected, one might say, from the worker's necessities of life $127,500,000 more than was collected from the incomes of the rich. These figures should have been reversed.

The organized farmers of the Dominion have long sought free entry of all the necessities of life. They have also sought reciprocal trade relationships with the United States because this, to a large extent, would create permanency in agriculture and this would in turn tend toward a steadiness of trade and agriculture and a more continuous market at home for manufactured goods. The feeling in this house now seems to be to increase the general tariff for fear the United States would increase theirs. Such action is not and cannot possibly be of assistance in keeping the Canadian market for the Canadian manufacturer, but it gives Canadian manufacturers an advantage in meeting United States manufacturers in markets abroad by enabling them to dump Canadian goods at the expense of the Canadian consumer. That is, they will charge the Canadian consumer a price that will ensure them a profit over the whole of their output whether sold at home or abroad. That is what tariffs are for, and that is how they have worked out in practice in this country in the past. But the United States may put up their tariff wall as high as the heavens, it will not make manufacturing any dearer or any more difficult on this side of the line; all it will do is increase the cost of manufacturing in the United States and make their export trade more difficult than it now is, unless their manufacturers will, as ours have always done, put the burden on the home consumer and dump their goods in foreign countries. The higher a tariff wall is in any country, the harder it is for that country to carry on an export trade, because the cost of production is invariably raised thereby, despite all the pious protests of some of our manufacturers that they do not take advantage of their tariff in setting home prices. In any protected country where labour is well organized, high wages is a feature of protection, but wages never keep pace with the price-fixing power of the protected manufacturer and distributor. I should like to give an instance or two to show how it is done.

[Mr. Evans.]

Our Canadian millers have a duty of 50 cents per barrel on flour. This is just about sufficient to give them a monopoly of the Canadian market. I have in my hand the bulletin of agricultural statistics, published every month by the government.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. EVANS: Before six o'clock, Mr. Speaker, I was endeavouring to show how full advantage is taken or the tariff and how unjust an advantage is taken when a monopoly can be created by means of it. I was dealing with flour. It enjoys a protection of 50 cents a barrel, and this is just about enough to give to the Canadian millers a monopoly in their home market. For the month of December last the average price of flour, Manitoba patent, in Liverpool was $3.10½; in Winnipeg, $3.99½; or 89 cents cheaper in Liverpool than in Winnipeg. In this comparison I have taken the grade known as Manitoba patent, which is the second highest priced flour sold in Great Britain; sometimes it is the highest. No. 3 northern wheat—the highest priced Canadian wheat, quoted in Liverpool for the month—was $1.46 a bushel; the average price in Winnipeg was $1.08¾; or a difference in favour of the Canadian miller of 37¼ cents per bushel. Allowing 2¼ bushels to the sack of flour—and it will take a little more than that—the Canadian miller has an advantage of 84 cents on wheat and 89 cents on flour; he is therefore reaping an unjust profit of $1.73 per hundred pounds.

But this is not all. It does not matter in what city, town or village in western Canada the farmer markets his wheat, he always sells it on the basis of the freight rate from his home town to Fort William. But let me cite facts. Many times I have dumped my wheat into the hopper of one of the big mills at Saskatoon, and after agreeing on the grade I have had to accept Fort William prices, less the freight rate. Then quite often I have loaded up a six months', and sometimes a twelve months' supply of flour before moving out of the mill. After paying freight on my wheat all the way from Saskatoon to Fort William, I have had to turn around and pay freight on my purchase of flour all the way from Fort William back to Saskatoon. From Saskatoon to Fort William is nine hundred miles. Paying freight both ways, one way on the wheat and the other way on the flour,