

Duty on Automobiles

profits, except the original investment of \$125,000. Of the latter amount only \$62,500 was cash. And so since 1904 they have been paying, as has been already pointed out by the hon. member for Mackenzie (Mr. Campbell), a very large dividend. The Financial Post of February 12 of this year is responsible for the statement that the original investor who sold his stock at recent market prices would have received back in dividends and sale price \$350,000 in return for every \$1,000 invested. Ford exported 47 per cent of his Canadian production and 53 per cent was marketed in Canada. The amount received for the 53 per cent sold in Canada came within \$6,716,840 of paying for his entire production, so that if he had marketed 66 per cent of his cars in Canada the profit would have given him 33 per cent of the production for nothing.

Now, Mr. Speaker, coming from one of the great western constituencies, as I said before, I believe that the car is an absolute necessity on the farm in western Canada to-day. A great many of our people are farming from ten or fifteen to thirty, forty and fifty miles back from a railway. The government propose this year to bring over some 3,000 British families through the Empire settlement scheme, and as the minister outlined the other night they intend settling these families along the railroad, from ten to fifteen miles from the line. It is a question that has been debated a great deal in the farmers' organizations in Canada, of which I am very proud to say I have been and always intend to be a member, that it is unprofitable for a grain farmer to farm land over nine miles from the railway. So that if we intend to settle these people from ten to fifteen miles back, with the people we have in the west farming long distances from the railway, it will not be successful. It seems to me that after all the pressure that has been brought to bear on this government they should be convinced now that the reduction is necessary. It would be a great relief to those who are already in that part of western Canada and are farming some distance from the railway, and I believe it would be an inducement, as well as an asset, to those whom we hope to welcome to our shores within the coming year.

I have not very much further to advance in this argument to-night. This is the first time I have had the privilege of addressing the House. I have been somewhat indisposed, having had some throat trouble, but I thought this question was so momentous and meant so much to western Canada that I should at least say something.

[Mr. Vallance.]

Mr. R. H. JENKINS (Queens): The resolution which we are now considering meets with my hearty approval; the proposal it involves is something I have advocated for some time past. It is high time that some move was made by this government to give relief along the line indicated. Although we have not such a large number of cars operating in Prince Edward Island as in some of the other provinces, yet in proportion to our population the need for some reduction is just as great. The automobile industry is the pet of the protection family. No other industry, so far as I am aware, has such attention paid to it by way of tariff. We pay in Canada to-day for cars the United States price with the duty and all costs added; in other words, the Canadian manufacturer collects the duty and he or his friends keep it. The tariff on automobiles is not designed for the benefit of Canadian industries. It is a tariff levied on the people in the main to pay American stockholders of Canadian factories, or possibly I should say assembly plants.

In common with other members of the House I received a few days ago a letter from the Ford Motor Company of Canada, reading as follows:

Dear Sir—

In view of the agitation in connection with the tariff on motor cars, we have considered it advisable to compile data in connection with our industry, which we feel will assist in arriving at a proper solution of this problem.

This data is submitted herewith as briefly as possible in the form of a number of graphic charts, the purpose of which will be very quickly grasped.

And I imagine every hon. member will know the purpose of this:

We recommend this to your careful consideration.

A change in the tariff on motor cars would be a matter of such vital importance and of such widespread ramifications, that we believe no change could be made without a most careful study of all angles of the problem by a properly constituted tariff board.

To which I replied as follows:

Dear Sirs,—

Your letter of March 10, re proposed reduction on motor cars, is before me, and I may state briefly that I need no better evidence that a drastic cut is needed on the duty on automobiles than page 15 of your folder, showing the price of Cars in the United States, and the price of same in Canada.

I am firmly convinced that the government should lose no time in making the change.

Our friends of the opposition tell us that the duty does not necessarily mean an increase in price to the buyer, but I would like to ask hon. members of this House to examine the prices of motor cars in Canada and the prices in the United States, as given by the Ford company on chart 15 of their booklet,