

owing to too high customs duties, the level of the articles increased lowers not only the possibility of exportation but also the consuming capacity of the country. It is to the conquest of new markets that we must turn. We have already done so with success; we must reach higher. Canada is an exporting country. Let us produce rationally and let our industries never be in such a position as to create temporary unemployment, because of our production which must compete with that of the United States on other markets.

A tariff for the people, enacted by a government which realizes that the state is for the people and not the people for the state, such is the policy that the King government proclaims in its budget of 1930.

It is a difficult thing to fashion a tariff capable of satisfying a whole population. The Conservatives demand a tariff which would protect national industries by establishing equilibrium between the cost of production of imports and the products of our domestic industries. The Liberals are in favour of a tariff for revenue by establishing fair competition between domestic productions and imports. If we were to judge by their programs in economic matters, the two parties would seem to have the same object in view, but it is in the practice that the chasm appears. The Conservative tariffs are always higher than those of the Liberals.

For years, there was a question of withdrawing the control of the tariff from the political arena, so as to make it a national question instead of having it decided by local interests. Tariff being so to speak the expression of a fiscal policy, how can it be withdrawn from political control? On the other hand it could never become a science by remaining in the field of politics.

In order to obviate to all this, it was considered best to create a tariff commission, which has already justified its existence. After having heard the requests and objections of a number of industries, farmers and consumers, it sent to the Minister of Finance its report which embodied what Mr. Thomas Walter Page, Chairman of the United States Tariff Commission from 1920 to 1922, qualified as "the only method capable of bringing about certain reforms in the tariff systems."

The farmer is not, thank Heaven, this ferocious man described by LaBruyère: "black, livid, sun-tanned individual held down to the soil which he digs and turns up with an invincible stubbornness." If he no more leads that extraordinary hard existence that Massillon, Saint-Simon and Arthur Young

[Mr. St-Père.]

have described under the most gloomy colours, we must admit that he had a right to have his grievances adjusted. Although not favouring him with exceptional advantages at the expense of the consumers, the King government gives him the opportunity of getting more from his land and retaining those who too often forsake it to seek in the mirage of our large cities that happiness to which they aspire but which deserts them most of the time.

The merchant and manufacturer buy in the course of business certain commodities with a view to disposing of them under a more or less modified form. They know pretty well what the cost of production has been and are thus enabled to set a sale price which will ensure a certain margin of profit. Competition among them is regulated by professional skill, technical ability and resources in manufacturing; the vastness or moderation of their desire for riches. Should the profits anticipated fail to materialize, they have as a rule the alternative of storing their products until a better opportunity offers of selling them. When they sell at a sacrifice, it is for considerations well known to them: the desirability of retaining their help or their customers or of paying off a debt. Besides, they are in a position to limit their losses, or to make up for them by increasing their gains in some other lines of their business. In a word they have the upper hand at every turn.

The farmer is in a totally different position, he has no control either over the cost of production or over the sale price. His raw material is a manufactured product in the acquisition of which he is bound to submit to the demands of his purveyors. As regards his implements, he is in the same position, while, as regards labour he is met with exigencies as great as those with which the manufacturer or merchant is confronted. Besides he must put up with atmospheric conditions: a late frost, a sudden storm may imperil the fruits of the labours of the year; the sunny days which hasten the ripening of his crops, may also blight his hopes. When he starts work and goes into expenditure which rapidly increases as time goes on, in order to secure a far off result, he is unable to foresee what will be the outcome; he is at a loss to tell what profit he will derive from an uncertain venture. And the extent of his risk is gauged by the despair of that farmer in the "departement de Gers" who having obtained for his cow one-half only of the price expected, hanged himself on reaching home.

It will not be seriously contended that farmers are responsible for the high cost of living. It is a worldwide phenomenon, the causes of which are too evident and well known to dwell upon.

The Count of Paris believed in the formula: "Institutions have corrupted men," but is it not proper to admit some truth in the reverse formula: "Men have corrupted institutions?" Indeed, it was the day after the putting into force of the new seasonal tariff,