

*Duty on Automobiles*

among the nations. The truth, the golden mean, to my mind, lies between these two doctrines.

It is impossible for us to establish absolute free trade. It is a very humanitarian theory, but it remains a theory, nothing more nor less than a theory. Now, is it possible to maintain, and should we maintain a tariff wall as high as the one we have at present? Must a tariff be enacted for a country according to definite and fixed principles? I do not think so. I believe that tariff questions must be considered one by one according to the particular conditions which arise, and this applies to the automobile industry as well as to others.

Some thirty years ago, we witnessed the development of the automobile industry. This development has revolutionized the transportation problem. You will remember like me that some forty years ago we travelled by boat; those among us who then lived at Sorel, Berthier or at any point along the St. Lawrence river, will remember the circumstances. When the railway was built it entirely superseded the boats. To-day, the latter are used merely as a luxury. In the district which I represent, the railway in its turn has entirely given way to the automobile. The town where I have the pleasure of residing is the starting point of one of the largest motor bus services in the whole country, and it gives a regular service. We have but to consult the statements of railway companies to find out that the automobile has entirely altered the problem of transportation and has superseded the railways just as the latter had replaced navigation. This only goes to prove that the automobile has become part of our life, and of the economic structure of the country, and must now be considered as a necessity and not as a luxury.

Let us briefly examine how this expansion took place in this country. I am not going to comment upon the numerous statistics which were cited by the hon. members who have spoken on both sides of the House. I received, like everybody, all the literature on the subject that the opponents and partisans of this measure were kind enough to supply members with. I glanced over most of it. My views to some extent were already settled on these questions and I am glad to be able to submit them to the House.

Under the regime of a very high protective tariff we gave birth to the automobile industry in this country. Protected by a 35 per cent tariff this industry made rapid strides. On this score Canada compares favourably with all the foreign countries, even including

[Mr. Gervais.]

our powerful neighbour, the United States. I think that the amount received from automobiles exported by us approximates the value of our imports of the same article. Our exports and imports balance or very near. Two or three years ago, having the occasion of looking up the statistics on this subject, I think I ascertained that our exports and imports balanced as to numbers and value, or near.

Can we, now that the automobile industry has established itself in this country, now that our manufacturers have improved their implements, now that they have trained expert hands, can we now, I say, abolish entirely the tariff? I do not think so, and so far as I am concerned I would oppose it. I am in favour of maintaining a protective tariff wall on automobiles. And if I make use of the word protective, allow me, Sir, to define the meaning I attach to it. To me, the word protective, so far as industries are concerned, should never have borne the interpretation given to it and must not be so construed. It behooves legislators, it devolves upon parliament to give to any industry, not protection, because we must not give to one, two or three individuals protection, to the detriment of ten, twelve or fifteen other individuals, but it is the duty of this country to give to any industry legislation which will allow the suppression of all unjust competition on the part of similar industries operating in other countries.

What is the sum of protection which the automobile industry, to-day, requires in order that it may not be crushed by the United States industries? What constitutes the advantages which the American automobile industry has, relatively, over the Canadian industry? Is our tariff of 35 per cent too high? That is the question. I believe that a duty of 35 per cent is too much; however, I would strongly oppose doing away with all duties, because I think that the American industry enjoys a much larger market and a ready sale of its products, when we are restricted to seasonal sales, in our country.

I think that the automobile industry to maintain its present level, needs a reasonable protective tariff, a tariff which I am not in a position to determine; but on the other hand—I do not wish that my words be misunderstood—I think that the duty, at present, of 35 per cent is too high and that it can be reduced. To what extent? So far as naming the figure, I cannot do so on the spur of the moment.

Mr. MORAND (Translation): At what figure would you fix the duty?