

tectionists or the gentlemen who write their advertisements for them that a very much larger revenue might be collected through a reasonably low tariff than is collected through an unreasonably high one. I say to these protectionist caretakers of the revenue—more economic knowledge gentlemen or more frankness. If you imagine that the removal of barriers to trade will hurt your business say so frankly, and we will discuss fairly and sympathetically with you whatever aspects of the situation you may care to discuss. You are Canadian citizens. Your interests are our care, just as the interests of all other classes of the community are our care, but be not like unto Demetrius, the silversmith, and his fellow craftsmen of old, who in far away Ephesus, when the preaching of the truth affected their business raised the cry of "Great is Diana of the Ephesians," not because they loved Diana but because they loved the profits they obtained by the manufacture of silver images of that goddess.

Does a tariff, running, as I have proved conclusively before, from 30 to 42½ per cent on many of the prime necessities of life, and now in some cases reduced to 35 per cent, produce the revenue of which we are so badly in need. No, the proof is, I believe, adequate that as regards many articles taxed at these high rates, the tariff is practically prohibitive and no adequate revenue for the country is derived therefrom.

No, the proof is, I believe, adequate: that as regards many articles the tariff is practically prohibitive and no adequate return for the country is derived therefrom. As examples of my claim let us consider the way the tariff works, from the revenue standpoint, on several heavily taxed articles. Take articles such as boots, shoes, slippers, gloves, mitts, undershirts, and drawers, and shirts. I do not propose to go into the figures; I have imposed upon the patience of the House by giving as many figures as I have; but I say this: If you compare the consumption of these articles with the amount paid in duty on them, you will see that the tariff is absolutely prohibitive, that practically none of these goods find their way in over the tariff wall; and if you were to reduce the tariff either of two things would result: either the Canadian manufacturer would continue to possess the market by reducing his prices to the consumer or certainly more goods would come over the tariff wall to the great benefit both of the consumer and of the State. Now I wish to leave no false impression, I wish to be per-

fectly fair to the manufacturer of these articles—I do not know whether they take full advantage of the tariff rates imposed on their products, that will depend in large measure in how far competition has been maintained behind the tariff wall; where it persists the consumer may still be given a chance—but I unhesitatingly declare that the tendency of the protectionist system is towards the elimination of competition and the taking of full advantage of the privileges given by the tariff.

What is another plea urged by the manufacturers? The plea is "It costs us more to manufacture our goods because we have got such a narrow market in which to sell them;" and that is to my mind the most serious argument that they bring forward. But do the manufacturers expect that this country will remain forever under the economic disadvantage of having goods manufactured for it in small quantities? I do not think that is reasonable, and I am of opinion that the plea of the manufacturers is exaggerated. I remember a member of this House telling me last year how in his factory he has been able to cut down the cost of manufacturing shells away below the cost of manufacturing those shells in the Old Land. From what he told me, Mr. Speaker, I was proud to think that our manufacturers and our work people were able to produce these articles at so much lower cost than they could be turned out abroad. Next we have the testimony of Mr. Lloyd Harris whose word, I am sure, will have great weight with the Minister of Finance. I find in the *Montreal Gazette*, a paper whose conservatism is of a most irreproachable nature, under date of May 26, 1919, the following item:

Mr. Harris is convinced that Canadian production will not suffer by comparison in cost of manufacture with any in Europe. He thinks that the tables have turned, and that many things can now be produced more cheaply in Canada than there, thanks to quantity output and cheaper power. He instances cotton yarn and piece goods, which used to be almost a British monopoly, but which can be produced more cheaply in Canada from American cotton than can be spun and woven in Lancashire.

I am surprised to hear that, but I trust it is true.

He thinks conditions are similar in woollens and in many other articles.

I trust Mr. Harris is right in that opinion.

Now a few words re mergering. Just as the lawlessness of people in the liquor business was one of the prime factors moving the Canadian people to prohibition, just as the lavish bestowal of titles enraged certain members of the House in view of the