

sell his goods at the lowest possible price at which the world will permit him to sell. Butter is 10 cents a pound and axle grease 20 cents a pound.

An hon. MEMBER: Hot air free.

Mr. McPHEE: I will answer the hon. gentleman later; let me finish the list I am giving. Prior to the conference, cream separators came in free of duty; to-day they are subject to a duty of 25 per cent. The Minister of Agriculture will go back to Saskatchewan among the dairymen of that province and will say to them, "It is true, Mr. Farmer, that I could not get any higher price for your dairy products than the world market price; but keep on milking your cows and I will recompense you by adding 25 per cent to the cost of the machine by which you separate the cream from the milk". Take barbed wire: there you have an increase in the price of 10 per cent as a result of the duty. Barbed wire has come into this country free of duty during the last twenty-five years, but the Minister of Agriculture, in his zeal for the farmers, will advise them to use more barbed wire. Hon. gentlemen from eastern Canada know nothing about barbed wire in comparison with the farmers of the west, owing to the small farms in the east and the number of railings that are available. But out in our great western country we are obliged to use a large amount of barbed wire. The Minister of Agriculture will go to the grain grower and say to him, "True, I could not get a higher price for your wheat than the world price, but I will recompense you by charging you 10 per cent higher on the quantity of barbed wire you use to fence your wheat fields".

Of the 223 items mentioned in the schedule, in connection with this agreement, the tariff has been increased on 139. Not only has this government gone mad in connection with high tariffs but their officials seem to be sitting up nights in order to conceive some new scheme to make still harder the lot of the poor Canadian importers.

I should like to give the house a few details in connection with the shipping of a small gift by a gentleman in the United States to his friend in my city. The gentleman in the United States, an American citizen, purchased a small piece of furniture to send to his friend as a gift, for which he paid \$12.50 in American currency. This was eight or ten months ago and at that time, under the policies of this government, the Canadian dollar was worth only seventy-seven and a half cents in the United States. When this article reached our customs house, what happened?

[Mr. McPhee.]

I have the customs entry before me to prove my statement. Notwithstanding the fact that our money was at a discount of twenty-two and one-half per cent on the American market, the difference in value between the two currencies was added to the price of the article, making the import value \$15.30. This gift, not a purchase, was taxed forty-five per cent duty plus four per cent sales tax and the recipient was forced to pay \$7.76 in order to obtain a gift purchased in the United States for \$12.50. Is it any wonder that every importer and business man of consequence in this country is harsh in his condemnation of the tactics of this government?

I have before me a statement with reference to the tariffs as they affect this country made in Calgary a week or so ago by a gentleman from Great Britain.

An hon. MEMBER: Not in the Calgary Eye Opener?

Mr. McPHEE: No. This gentleman, Mr. H. Morris, is the manager of J. and N. Phillips and Company, exporters of Manchester. Upon his arrival he made the following very apt statement:

During the last three years we have exported less of our goods to Canada than for many years before, and this is due to a great extent to conditions in the dominion and to your ridiculous tariff policies. If your wheat belts are down the whole of Canada is down, and all the two-penny-half-penny manufacturers of eastern Canada cannot alter the situation. These tariffs are responsible for the high cost of living in the dominion and you people out in the west have to pay through the nose for all you get as the result.

Let me give one other illustration. This report of an interview with Sir Arthur Balfour appeared in the Winnipeg Evening Tribune, a Conservative paper. Sir Arthur Balfour is one of the leading British industrialists and economists; he is the head of one of the largest firms of steel manufacturers in the world, has served on numerous government commissions and economic delegations and has been decorated for his services by a number of European countries, so that there can be no doubt as to his qualifications. He says:

I think that tariffs have gone too far. They have their use and place, but when they are applied to inefficient as well as efficient industries, they go too far. We have been ignoring altogether the effects of our actions on our neighbours.

The following despatch from Germany quotes the former president of the Reichsbank as follows:

Hamburg, Germany, Oct. 20.—Hans Luther, former president of the Reichsbank, said to-day in an address to the overseas club that foreign