

of a certain article, it does not matter whether the people have any aptitude for producing that article, we will offset all handicaps by means of artificial restrictions on trade. It will lead us into the establishment of the most exotic industries and lower the standard of living in this country. The goods we need will be out of the reach of many of our people.

Mr. MANION: Who in the Conservative party ever took such an attitude as the hon. member is ascribing to the party?

Mr. YOUNG: I do not ascribe that attitude to the Conservative party; I say that will be the result of the adoption of this principle.

Mr. MANION: It is not the result.

Mr. YOUNG: The hon. minister has not seen the result as yet. I have here the thirteenth annual report of the United States tariff commission, and in connection with the difficulty of finding domestic costs of production, it has the following to say:

An additional difficulty in obtaining cost data is the time required to get the basic information and to tabulate and summarize it in usable form for purposes of the law. As a rule it requires many months of field and office work by a large number of experts of the commission's staff to obtain the necessary data in important investigations. "Cost of production" is by definition an exact and mathematical term, and to obtain it requires a careful examination of cost records, prepared and interpreted under rules of economics and of cost accounting.

All these obstacles to obtaining costs-of-production data apply to both domestic and foreign industries, but they are multiplied when costs are to be obtained in foreign countries and in a foreign language.

That is the opinion of the United States tariff commission, of the difficulties in determining costs and the time necessary to determine such costs. We know that there is nothing static in industry. What it may cost to-day to produce this pen, may have nothing to do with what it will cost to-morrow. The production cost is a certain figure to-day, but as months go on a new process is invented, methods change, production costs are reduced, and the figures become out of date. I do not think there is any country in the world so disliked by other countries as is the United States. To a large measure that is due to the practice of sending experts into different factories in different countries to investigate costs. They enter a foreign factory and say: We want to know your production costs, but we will promise faithfully not to reveal any of your trade secrets. They inquire into the production costs and then go back to their

[Mr. Young.]

own country and use the information so obtained to persuade their government to shut out the goods manufactured by those factories. That policy has brought upon the United States the ill will of nearly every other country in the world, and it will have the same effect upon us.

An increased tariff means increased costs of living and increased costs of production. An investigation is made into the cost of producing a certain article, and at the same time another investigation is carried on into the cost of producing other articles which are the raw material of the first. It is decided that in the case of the first article a duty of 25 per cent is necessary to equalize production costs, and at the same time it is decided that a certain percentage is required in the case of the second article. It will be found that the cost of the raw material has been affected by the increase in the tariff in one case, which will affect the production costs in the other. The figures will confuse each other. The most amazing feature about this equalization principle is that the Prime Minister is apparently prepared to abandon it because he realizes that it will not always work. Yesterday when he was discussing the American tariff commission and how they had found that a certain duty was required in order to equalize the production costs between Canada and the United States of maple sugar and maple syrup, I asked him if those figures could be disputed. He said that they could not, and I then asked him what he would do about it if it was found that the American figures were correct, which figures show that it costs less to produce maple syrup and maple sugar in Canada than in the United States. I asked him if he would equalize. If he did so he would have to make a downward revision of the tariff. We have a 20 per cent tariff on maple products and I asked him if this tariff would be removed if the board found that it requires less to produce maple syrup and maple sugar in Canada than it does in the United States.

Mr. HANSON (York-Sunbury): Why not?

Mr. YOUNG: Perhaps he can tell the hon. member why not. He says:

I have been endeavouring to point out that the government will not necessarily act at once upon the facts as found. The government may act to-day, it may act next session, or it may act the session after. The first thing to do is to ascertain the facts, then ascertain what the application of the facts may be.

I can take only one meaning out of that, and that is that when the facts are found, if they suit his purpose the Prime Minister will