

wonder if we could have your views on that, Mr. Hickman?

**Mr. Hickman** We have no views — only statistics. We have had no reply from the Riverside Woolen Mills.

**Mr. Smallwood** This business of wool and woolen mills is a very good example of the point I am trying to make. Perhaps when the Committee on Agriculture brings in its report we may have some information on the practical possibility of rearing sheep.... Mr. Hollett wanted to know if they have protective tariffs everywhere. Yes they do. They caused the big war. Mr. Hollett will agree there is a difference between Great Britain with a big home market, and the United States with 140 millions, and Canada with 12 millions, setting out deliberately with a policy to start local industries. But take a country like Newfoundland with 318,000 population, counting Labrador — if you are going to start an industry where you have to import raw material and fabricate it into a finished article, the cost of doing so is great. You are turning out a small quantity. Your overhead is high. If you do it on a large scale, you get modern equipment and turn out large quantities, you cannot do it in a small country. If you do, you turn out enough in a week to last the country for years....

What are we doing today? We are looking at one of the great issues that has divided man, free trade. We must export or die. We must export our fish, our paper and our minerals. Whatever lies in our power we must do to help industries bringing money into this country.... When I say local industries, I am talking about fish, ore, forests — they are not the kind of industries we are talking about. I am talking about the industries that are artificial, made possible by a protective tariff. We are making it expensive to produce through the customs tariff. It has been a grave issue which has divided man and made enemies, this question of free trade versus protection. They come to the government as infant industries, need just a little bit of help, little bit of fostering care, protective tariff. "When we get on our feet, we will not need it", they say. While they are infants they want the government to help them. They want a little bit of nursing. Some of them are now pretty lusty infants, and they are still getting the protective tariffs — they were infants in the 1870s. You are unpatriotic, you are destructive if you get up and

mention it. I do not care if it costs me my place in public life, I will mention it. I do not want a place in public life if I have to suppress the truth. I want to see free trade and cut out the cursed tariffs.

**Mr. Reddy** Every member has a right to express his opinion on any matter that comes before this House, and being a member of the Local Industries Committee does not debar me from that privilege.... I am very much in favour of local industries, but I am certainly opposed to the exorbitant protective tariff that is enjoyed by the main local industries of St. John's, which is conveniently called a revenue tariff. This burden of taxation falls most heavily on those least able to bear it, our woodsmen, miners and fishermen. Some people argue that if you close down local industries, you put a certain number of people out of employment. I would say, if the rights of the masses are infringed upon, the cause of the minority is not a just one. In my opinion this peculiar set-up of local industries in St. John's appears to be the greatest imposition yet perpetrated against the working class of Newfoundland.

I feel it is the duty of this Convention to recommend that this taxation be reduced to the minimum.... I am of the opinion that the exorbitant protection enjoyed by the several local industries amounts to well over a million dollars per annum. Isn't it time that the powers that be recognised this protection and did something to reduce taxation from the shoulders of the masses of our people?

**Mr. Higgins** I was wondering if the Committee had investigated the possibilities of electricity. The making of electricity by windmills is now a well known factor in the country, and I was wondering if you investigated the potential electric power that we might be able to harness.

**Mr. Hickman** No.

**Mr. Crosbie** Can you tell me what protection these local industries have? How great is it? Mr. Reddy talked a lot about it, what is the tariff they have in their favour? Let's have the truth.

**Mr. Reddy** The Imperial Tobacco Co. gets a protection of \$552,000, and the Newfoundland Butter Co. \$250,000 more.

**Mr. Crosbie** I would like to tell Mr. Reddy that his figures are entirely wrong. If he does not give the correct facts, I will.