

for his products, it is really the amount of the necessities of life in return for his fish that counts. So I say that local industries such as factories, that handled a large part of the earnings of the people, obtained from all other major industries including the fisheries, should be conducted in such a manner as to be a benefit to the poorest worker as well as to the richest of this country. When a person or corporation is about to start a so-called factory the first thing is to take it up with the government with the aim and object of getting all the protection they can produce. That's so they could prevent competition and be able to satisfy their dealers with a substantial discount and commission without any consideration of what any other industry would have to suffer by their arrangements. They do not care if the workers of the country starve to death as long as they could live in luxury. If that state of affairs is to be continued it will not matter what form of future government we may have. In other words, if we do not take our fishery as a guiding star in all our undertakings we are doomed to failure.

In describing local industries there are two kinds. One that I am trying to describe and the other that is going on in the outports, for example sawmills that take the raw wood and convert it into commercial articles, and meet all kinds of competition and even help to keep the protected ones going. I must say that since the advent of Commission of Government the protective tariff has not been so great. But the sting of past years still lingers, demonstrated a few days ago when one of the members of the Board of Trade who attended a meeting of the Local Industries Committee told the story of a person who was eating an article of food made in a Newfoundland factory; when that person was told it was a local product he spit it out. Doesn't that story prove that it was not the taste of the article that made that person spit it out, but the sting of protective tariff?

When the words local industries are even mentioned it sends a thrill through me. It brings back to my memory what happened over 20 years ago because of protective tariff. It was at a time when I had a shipment of goods landed here from New York bought in the regular way without any strings attached whatever. It happened to be the same kind of goods that were made in the local factories. I could not make entry on my invoices

but was told that my goods had to be appraised by officials of the factories here. I had to prove without doubt that I could not buy from the local factories. I was placed in the same category as the foreign business people whom we all call Jews, forgetting that the people who built up their businesses by the protective tariff are the worst kind of a Jew — a Newfoundland Jew. I have no hesitation in saying that the protective tariff was never meant to foster industries that would give employment to the people, but is merely a concocted manipulation of trade. The consolation I have, that I can thank God for, is that my family was not raised by the protective tariff. If it was I would not be seen here in this assembly. I would be found home in an armchair shedding crocodile tears over the condition of the country.

I do not believe there is another country under the sun that protects foreign products as we do, and I am fully convinced that these so-called factories that reap the benefit of protection are really parasites on the fishermen and workers of this country. I will stick to my conviction until such time as an independent accountant can convince me otherwise. I predict that accountant's report will show a loss to the public treasury of the tidy sum of approximately \$2,000 a year at least, for each individual employed in these establishments where foreign material is processed. In other words, if the government would pay the employees of these establishments the full amount of their wages and let them go idle if they wish, and import the finished article, the government would save at least \$2,000 a year on each individual so employed and in one or two cases it will be double that amount.

If there are any persons or firms that wish to dispute my prediction, I suggest they produce a comparative statement showing the difference in the regular duty that would be paid on the same quantity that they processed during the past year, and what they really paid, and the amount of excise duty paid for that period, and have it certified by the Department of Customs as being correct. If that is not done I will consider myself as being correct.

Mr. Chairman If there is no further discussion I shall put the question.

Mr. MacDonald Going back to a question concerning the corporation taxes paid by these local industries, which has a definite bearing on the