

to by a Republican administration, headed by President Taft. The Republican party in that country, as everyone knows, were traditionally the high-protection party; but they had moved so far forward in their thinking that as long ago as thirty-six years they were willing to negotiate a very comprehensive trade agreement with Canada.

The Republican party went out of office in 1912 and the Democratic party came in. One of the first acts of the Wilson administration was to introduce what was known as the Underwood tariff, which greatly reduced the duties on imports going into the United States, and was of distinct advantage to Canada. It is noteworthy that from 1911 until the Democratic party went out of power in 1920 the offer made by the Taft administration for a reciprocal trade agreement with Canada remained on the statute books of the United States, and it was not until after 1920 that it was withdrawn.

It is true that following the First World War the United States retreated into an economic and political nationalism, to the great misfortune of the world. The failure of that country to come into the League of Nations was probably the most serious single disaster which has visited the world since the close of World War I. Had the United States in 1920 been prepared to play the part in world affairs that she is playing so admirably today—and I am not saying this in criticism of the American people or their government—I think the events of the past twenty-five years would have been vastly different.

When the Fordney-McCumber tariff, referred to by the honourable leader of the government, was put on in 1922, the United States retreat into isolationism was complete; but in order to make it still more secure the Hawley-Smoot tariff, which further increased American duties on goods from the outside world, was adopted in 1930.

The effect of United States tariffs was felt by France, Germany, Belgium and other European countries, and they in turn raised their tariffs to almost unprecedented heights. From 1930 until the outbreak of the recent world war practically every conceivable obstacle that could be devised by the wit of man was put in the way of the natural exchange of commodities between countries.

After 1930 the Democratic administration in the United States, headed by President Roosevelt and guided by that great Secretary of State, Mr. Hull, endeavoured patiently to undo the damage that had been done. The trade agreement that was first arranged in Mr. Bennett's regime in 1935, and carried through to a consummation after the present govern-

ment came into office, was a result of the efforts of Mr. Hull. Honourable senators will recall that the agreement was further enlarged and extended three years later, and was in force at the outbreak of the war.

It is quite true that under the present proposals we will lose some of our preferential advantages in the British market; on the other hand, I think we will get substantial concessions from the United States. I need not enumerate them here; they can be dealt with and their value assessed when we consider this matter in committee. I do believe that on the whole range of natural products which Canada has to sell, including agricultural products, livestock, commercial metals, products of our fisheries, lumber, and many other things, we get valuable concessions from the United States.

I emphasize what I said a few moments ago, that the all-important objective for the Canadian people is the securing of markets. If we cannot sell our products we are bound to have unemployment. And I repeat: we can only sell our products if we are prepared to exchange them with other countries for what they produce. Looking broadly at the proposed agreements I believe that they contain definite advantages for Canada.

The honourable leader opposite spoke of the escape clauses. I regret that there are such clauses, and that this arrangement provides for a period of only three years. In that respect I believe we have to appreciate the task which faced the negotiators, who spent six months at Geneva—from March until October—hammering out these agreements. I should like to associate myself with what the honourable senator from Ottawa (Hon. Mr. Lambert) has said in tribute to the fine ability displayed by the representatives of Canada at that conference.

I should have liked to see a little more emphasis placed on the principles underlying trade. But when so large a number of nations as those represented at Geneva are assembled, naturally their delegates have to keep in mind opinion back home; and it may well be that the progress made at Geneva was as great as was possible in the light of the political conditions existing in the countries there represented. I hope that in our discussions of these very far-reaching proposals we shall take the large, the broad and especially the long view: we cannot afford to take any short-range view in our judgment of what the government have submitted to us. Problems of dollar exchange, general problems of currency, and many other questions are before us at the present time. I am convinced that if the Canadian people are given a fair chance they can, by the devel-