

discuss them, nor have we had the slightest intimation from the Prime Minister as to what the policy of the government will be when the time comes.

In support of what I said a moment ago in connection with the artificial division between Great Britain and Canada of the trade in manufactured articles, I contend that this is no new idea, nor is it one devoid of grave objections. I suppose as strong an advocate of British preference as there has been at any time was the late Lord Milner. Speaking in Montreal before the board of trade as long ago as 1908 Lord Milner said:

And as regards the position between Canadian and British manufacturers let me say just this: A good deal of harm was done at one time by the idea that the policy of preference aimed at an artificial division of industries between Canada and the United Kingdom, certain kinds of manufactures being, so to speak, appropriated to Canada, and the United Kingdom being left undisturbed in the exercise of others. I do not believe in such an artificial limitation, but I do believe that, with reasonable tariffs and mutual preference, there will be something like a natural adjustment.

The artificial arrangement which we hear of as being contemplated is something along those lines. In textiles for example, there are certain grades of very high quality which we do not manufacture in this country. Great care may be taken at the conference to see that these are left with British manufacturers. They will be allowed to come in at low rates of duty, and the well-to-do benefited thereby. On the other hand, there are coarser grades which affect the great body of the people, and great care may be taken to see that these are protected from anything in the nature of competition from Great Britain. Other things might be mentioned as well. But this is the kind of thing which is being currently rumoured, and perhaps the Prime Minister will tell us when he speaks, whether or not the rumours are true. I repeat that the people of Canada are not going to be satisfied with any artificial division between this country and Great Britain. What will be expected from the conference will be a greater opportunity to trade with Great Britain in a perfectly free and natural way.

If the conference is to be a success, there are some things that are fairly self evident. There will have to be a change in the way of doing things from the way in which many things were done at the time of the last conference. In the first place, there will have to be a better atmosphere created than was created prior to the conference in Great Britain. We all recall, and recall with a great deal of chagrin, the atmosphere which was created prior to the economic conference in

[Mr. Mackenzie King.]

1930, and as a consequence of which the conference, in the words of another former prime minister of a British dominion, was a complete tragedy. That is the way it was described by a representative of another part of the empire; the conference of 1930, viewed from the economic side, was considered to be a tragedy. If that tragedy is not to be repeated, we must not have a repetition of the circumstances which led up to it

First of all there was the raising of the tariff immediately in advance of the conference. Let me say again that I cannot understand the point of view of hon. gentlemen opposite when, just on the eve of the meeting of this conference, on top of all they have already done in the way of raising the tariff, they add a two per cent tax against all goods coming into Canada from Great Britain, and this at the very moment when Great Britain, in imposing her tariff against foreign countries, takes care not to put a single cent of new duty against goods from Canada. When the British House of Commons was discussing the question of tariffs, an hon. member moved that there should be a certain tax levied against the dominions, as well as against other parts of the world. I suppose he had in view somewhat the same idea as our Prime Minister prior to the last conference—that there would be a certain bargaining value in such a step. What did Mr. Thomas, the Secretary of State for the Dominions, say? He rose in his place and stated that such action would be an insult to the dominions. That shows how the British people must feel in regard to the action of hon. gentlemen opposite. They feel that the putting of a tax against goods from other parts of the empire, immediately prior to the conference, is an insulting thing. I do not think the term is too strong to use at a moment when members of the same family are about to meet together to consider how they may best further each others' interests.

In addition to the necessity of a change of atmosphere, there will have to be a very distinct change in the method of approach. We remember the Prime Minister of Canada going to the last conference, and, before any discussion had taken place, stating to all and sundry the basis upon which alone Canada would be prepared to negotiate. I hope the Prime Minister of Canada will remember that this time Canada is the host and that his attitude, whatever it may have been while he was in Great Britain, will be a little different towards those who come to Ottawa from other parts of the empire as guests of the Dominion of Canada. What did the Prime