

I wonder if these are not mere words. The protection to be granted to new industries is a matter within the discretion of the Government and Parliament of Canada. I remember the time when a freer trade Government—I am referring to the Laurier Government—refused to give protection to a new industry until its production reached two-thirds of the quantity of such goods necessary to supply the country's needs.

This Article 10 reminds me of the proposition made by Mr. Joseph Chamberlain in 1902 or 1903, in the course of a famous speech in which he said that if preference on the British market were granted to the Dominions they would have to bind themselves not to develop new industries. His statement was strongly criticized, and he eliminated it from the speech as revised and published later on. I saw a copy of the original speech and a copy of the revised one in our Parliamentary Library. Article 10 is very similar in principle to Mr. Joseph Chamberlain's proposition, and may have been inspired by his son, Mr. Neville Chamberlain. This article need not have been put into the treaty, because it may be taken for granted that no government would think of granting protection to any industry other than those indicated in this undertaking. Of course there was an exception made—and it may be said to prove the rule—when we levied a duty on glass for a few months. It was not practicable and was soon withdrawn.

Article 11 reads:

His Majesty's Government in Canada undertake that during the currency of this Agreement the tariff shall be based on the principle that protective duties shall not exceed such a level as will give United Kingdom producers full opportunity of reasonable competition on the basis of the relative cost of economical and efficient production, provided that in the application of such principle special consideration shall be given to the case of industries not fully established.

Article 12 binds the Government to do what it is already obligated to do, that is, to establish a tariff board.

Article 13 says:

His Majesty's Government in Canada undertake that on the request of His Majesty's Government in the United Kingdom they will cause a review to be made by the Tariff Board as soon as practicable of the duties charged on any commodities specified in such request in accordance with the principles laid down in Article 11 hereof and that after the receipt of the report of the Tariff Board thereon such report shall be laid before Parliament and Parliament shall be invited to vary wherever necessary the Tariff on such commodities of United Kingdom origin in such manner as to give effect to such principles.

Article 14:

His Majesty's Government in Canada undertake that no existing duty shall be increased on United Kingdom goods except after an inquiry and the receipt of a report from the Tariff Board, and in accordance with the facts as found by that body.

And Article 15:

His Majesty's Government in Canada undertake that United Kingdom producers shall be entitled to full rights of audience before the Tariff Board when it has under consideration matters arising under Articles 13 and 14 hereof.

Reverting to Article 11, providing that—

—the tariff shall be based on the principle that protective duties shall not exceed such a level as will give United Kingdom producers full opportunity of reasonable competition on the basis of the relative cost of economical and efficient production—

it seems to me that this is a mere collection of words, for under such terms high protection can be justified, and has constantly been justified. It is the difference in cost of production that has been the main reason for increasing duties.

But more extraordinary still is the creation of a tribunal before which the Government of Canada may be cited as a defendant. His Majesty's Government in the United Kingdom apparently would be the plaintiff, but we all know that the complaint would be made and the machinery set in motion by producers. I cannot find in the treaty any reciprocal provision in favour of Canada, for the Government of Great Britain does not bind itself to set up a tariff board in London. It seems strange that we should set up a tribunal of appeal to call in question the action of our Government and our Parliament. One would have thought that any question arising by reason of our abiding by the terms of the convention should not be decided in that way, but that we should have some say in the matter.

Article 4 is of very great importance to Canada, since under it, by a stroke of the pen, we might lose the advantages that accrue to us under one of the schedules. It reads:

It is agreed that the duty on either wheat in grain, copper, zinc or lead as provided in this Agreement may be removed if at any time Empire producers of wheat in grain, copper, zinc and lead respectively are unable or unwilling to offer these commodities on first sale in the United Kingdom at prices not exceeding the world prices and in quantities sufficient to supply the requirements of the United Kingdom consumers.

Article 4 gives the United Kingdom the right to withdraw advantages that are accruing to Canada under the agreement in respect to grain, copper, zinc or lead. If my right honourable friend can find any extenuation for that article I should be glad to hear of it.