

Imperial Conference—Trade Agreements

an intention completely and finally to paralyze Canadian and empire trade, or was there the intention to divert trade from foreign to United Kingdom channels? I submit the answer given by the ex-Minister of Trade and Commerce is all that the right hon. leader of the opposition requires. I took note, further, that when the hon. member for North Bruce was making that statement he faced his own leader, the right hon. gentleman who has taken the opposite stand.

Next,—and this brings me to the principal subject I wish to discuss,—taking this agreement in his hand the right hon. gentleman read clause 21:

This agreement is made on the express condition that, if either government is satisfied that any preferences hereby granted in respect of any particular class of commodities are likely to be frustrated in whole or in part by reason of the creation or maintenance directly or indirectly of prices for such class of commodities through state action on the part of any foreign country, that government hereby declares that it will exercise the powers which it now has or will hereafter take to prohibit the entry from such foreign country directly or indirectly of such commodities into its country for such time as may be necessary to make effective and to maintain the preferences hereby granted by it.

And the right hon. gentleman said, and many of his followers have since said: What does that mean? I cannot understand it. Meaningless. Well, the answer came very shortly afterward. I have an extract from the *Ottawa Journal* of the 13th instant:

J. H. Thomas, Secretary of State for the Dominions, announced in the House of Commons today that Great Britain has abrogated its commercial treaty with Soviet Russia.

Under article 21 of the tariff agreement reached at the recent Ottawa imperial conference, he said, renunciation of the temporary commercial agreement with Russia was made necessary.

And he goes on to discuss at some considerable length, as I have no doubt hon. gentlemen have read for themselves, the effect on United Kingdom trade of Soviet dumping.

Now, I would like to refer to the presentation made by the economic committee of the Canadian lumber industry to the advisers to the Canadian government in that regard before the conference took place. May I say here that that committee was made up of representatives from the five exporting provinces of Canada, men of every political opinion in this country, met for the sole purpose of considering the position of the lumber industry in relation to the economic conference and what might be achieved to rehabilitate that industry and that it might re-enter the British market lost between 1922 and 1931

[Mr. Nicholson.]

solely by reason of the action taken by the Russian Soviet government. That committee represented not only the lumber trade, but had on it representatives of each of the five provincial governments, Ontario, Quebec, New Brunswick, Nova Scotia and British Columbia. The ministers of lands and forests, chief forestry officers of the provinces and, in some cases, the prime minister of the province, conferred with us, and on one occasion representatives of all these provinces met with the government during the conference to press the position that they were taking.

In passing, there is one matter to which I would like to refer, in relation to the diversion of trade and the position taken by the committee. It may be of interest to the house as indicating the viewpoint of business men of all shades of political opinion in regard to the position Canada should take in endeavouring to work out trade agreements within the empire that will be to the advantage of all parts of the empire. This was the statement:

We are attaching as a special submission to section 5 already placed in Mr. Breadner's hands a list of goods with values and countries of origin imported into Canada, and used in the lumbering industry. It will be seen from this list that in 1929 Canada imported of these goods from the United Kingdom \$31,338,366; from the United States \$175,156,848, and, proportionately similar figures in 1930 and 1931. We submit that reciprocal preferences should be worked out, that would divert the major portion if not all of this foreign trade into British channels.

And, Mr. Speaker, the committee maintained that. That committee had no political bias in any sense, as I stated every province was represented on it. Of the total of these goods imported into this country the United Kingdom could supply every single article. There is not one article on the list there set out—I am not going to attempt to read it, or even indicate the number of the articles—that Great Britain does not produce. The lumber industry in Canada buys some part of every one of these articles. They go into all sorts of types of industry. We say, and I submit here, that in the face of what every other country in the world has done in relation to Canada, we should endeavour to divert this trade into United Kingdom channels to the utmost extent possible. It includes agricultural equipment, mining equipment, commodities used in the fisheries. That shows the comparison of \$31,000,000 from the United Kingdom in 1929 and \$175,000,000 from the United States. Yet hon. gentlemen opposite almost cracked the ceiling of this chamber in their declamations against any