

by the cost of living and the costs of production—I shall not except the interests of the Canadian manufacturer because he is interested also in the cost of living and the costs of production—the tariff rates as imposed by this schedule are bound to work injury rather than good and to make more restricted than ever the present strangled condition of trade in Canada.

Mr. STEVENS: I am sure the committee does not wish to thresh out again a question which has been discussed over and over, but I cannot allow the observations of the right hon. gentleman to pass without very briefly reiterating what has been said previously by the Prime Minister, by other hon. members of the house and by myself. In so far as the major portion of the general tariff schedule is concerned, there is nothing in the world to hinder this parliament from taking any action it likes in raising, lowering or abolishing duties imposed. Schedule E constitutes about one-fifth of the whole tariff; there are about two hundred and twenty-three items as compared with one thousand, roughly speaking. In regard to those particular items we do undertake by this agreement to maintain a spread; there is no question of that, but in so far as the article read a moment ago by the right hon. gentleman, dealing with the freedom of parliament, is concerned, I need hardly state that freedom is still present. However, we expect parliament to respect this agreement just as this and other parliaments have respected the agreements which were made by the right hon. gentleman for four and twelve year periods. I should like to direct his attention to a most amazing inconsistency in his position. This afternoon he twitted me because I had failed to give him credit for securing the tobacco preference for ten years.

Mr. MACKENZIE KING: I did not say that.

Mr. STEVENS: That was something to be boasted of. I have under my hand the minutes of the conference of 1923, in which appears the statement that the Liberal party had secured that preference.

Mr. MACKENZIE KING: Not at all. I said that the British government had given it voluntarily.

Mr. STEVENS: The preference obtained by the right hon. gentleman was for ten years—that was virtuous, but this being for five years, it is iniquitous. I shall not labour further this question other than to say that the references to margin of preference and the preservation of the margin of preference are limited to schedule E of this agreement.

The CHAIRMAN: I shall have to read the whole schedule unless there is general consent not to do so. I can bring the schedule before the committee item by item.

Mr. MACKENZIE KING: It was understood at the outset that we would take up the agreement article by article, and that as we dealt with each article we would deal with the schedule referred to therein. This we would wish to do item by item.

Mr. RHODES: So far as I am concerned I would be quite content to take up the schedule item by item, with this pious hope that when we come to deal with the same items in committee of ways and means, we shall not repeat ad nauseam the same discussion which we carry on in this committee.

Mr. MACKENZIE KING: May I make quite clear to my hon. friend why we wish to take up the schedule item by item? We do not want to be asked to vote for the third reading of this bill until we know what is in the schedule, what the extent and effect of the tariff changes proposed are likely to be. We had to vote on the second reading without a knowledge of what we were doing, but we do not want to vote in the same way on the third reading if there is a possibility of avoiding doing so. If my hon. friend would prefer to go into committee of ways and means now and take up the tariff resolutions, we shall be agreeable to drop further discussion of the agreement at this stage, and take up ways and means, dispose of the resolutions and then come back to the other articles of the agreement. We shall from discussion of the tariff resolutions in committee of ways and means know all we wish to know about the various tariff proposals. Whichever is more agreeable to my hon. friend, we are prepared to do.

Mr. RHODES: I am ready to discuss the question with the Prime Minister, but the leader of the opposition will recall that the Prime Minister gave what he considered and what, of course, we consider as very cogent reasons why we should proceed with the agreement in the first instance before taking up the schedule in ways and means. To put it briefly, he said that to do otherwise would be putting the cart before the horse. But if it would facilitate the proceedings and secure the passage of these agreements through the house, the matter might be worthy of discussion.

Mr. LAPOINTE: It is just as well to discuss the schedule first.