

Council of Agriculture, which was sitting at Geneva, heard a number of violent speeches by Europeans against those new-comers, Canada, Argentina and Australia, who were dumping millions of bushels of wheat into Europe and disorganizing its markets. This raises the general question of limiting, throughout the world, the production not only of wheat but of other commodities. When I study the crisis I recall October, 1929, and cannot help holding the United States responsible. Prosperity in that country was so great that poor humanity lost its head. Stocks soared to dizzy heights; everybody was rich—on paper—and could buy anything and everything on credit; the instalment plan of purchase was flourishing. I saw advertisements in a number of American papers urging young people with a salary of \$2,000 to marry, as houses could be furnished from top to bottom on credit. Manufacturers were producing two or three years ahead of requirements. The readjustment will be a slow process.

The United States thought they could overcome the crisis by raising their tariff, but the exports from that country have since been reduced by half because, among other reasons, other countries raised their tariffs also. The result has been a contraction all around in imports and exports. Trade is an exchange of goods, which must flow as freely as possible. I remember reading a statement by the President of the Canadian Pacific Railway on the increasing of trade barriers in every country: his opinion was that the only good result would be to bring about the beginning of the end of such a policy, and that in time all countries would agree simultaneously to lower their walls. It has been suggested that a world conference should be held in an attempt to regulate production and promote a proper exchange of commodities. It is late in the day to make such a move. Unless it is to be made, I can see nothing for the future but the natural working of the old law of supply and demand, with large numbers of victims in every country.

An allusion has been made to the adjustment of accounts between debtor and creditor nations as a means of helping the world to return to prosperous times. This brings up the matters of reparations and international debts. I will not discourse on these questions now, because I think we all realize that settlement of them rests with the United States. So long as that country insists upon payment by the debtor nations, matters will stay as they are, although of course Europe will have to determine whether it can meet its obligations. Perhaps in the attempt to improve

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their own economic conditions the people of the United States will be in the mood to consider an adjustment, after the next presidential elections.

The Imperial Conference is to be held here in July. I saw the first steps towards such a conference as far back as 1903, when the late Joseph Chamberlain was carrying on his campaign in England for fair trade. I heard some of his speeches at the time, and in one of them he afterwards made some alterations. Both a verbatim report of the speech and a copy of it as altered by him are to be found in the Library. His first view was that the Dominions should undertake not to develop their industries further, but to be content with those that existed in 1903. He soon saw, however, that that proposal could not stand. I remember seeing at the time in every third or fourth window in some London streets a big loaf and a small loaf of bread displayed in connection with the appeal against the increased price of wheat. Needless to say, there is not a Canadian who will not pray fervently for the success of the next Imperial Conference. We shall watch it with very close interest. We know that there will be very difficult problems for consideration, but I feel that all the delegates from the British Commonwealth of Nations will combine their efforts to bring about success.

I should like to say a few words concerning the question of disarmament. It is not a very serious one for Canada, but in Europe it has baffled the ablest minds. There are now gathered at Geneva the representatives of a great many nations who are seeking to bring about a reduction in armaments. Perhaps I may be allowed to review briefly the existing situation. Germany, which formerly was one of the most powerful nations of the world, is now vanquished, humbled and disheartened; but potentially, with her sixty-five millions of people, she is still the strongest nation in Europe. The surrounding countries are very fearful of the possibilities of an explosion so near at hand, and they feel they should not be asked to disarm until their security has been provided for. Lord Robert Cecil in "Foreign Affairs" of October last said:

The problem is to give satisfaction to the German demand for eventual equality, while recognizing that security for France is essential.

He might well have added that security for Poland, Roumania, Jugo-Slavia and Czecho-Slovakia is essential. I have a profound conviction that the conclusion, if one is reached, of the present Conference will not, cannot, satisfy Germany; for she sees that although her military strength has been greatly cur-