

The minister says an exchange of notes took place with the United States on November 30 last. I should like to have those notes laid on the table so that we might have them before us during this budget debate. The minister is one who favours trade agreements; he favours empire trade agreements. I ask him, when he is thinking about this exchange of notes regarding trade, to enlarge the empire trade agreements and at the same time give consideration to trade agreements with the united nations. Let us not be too quick to pick out one member of the united nations whose economy is so close to ours, and ignore the others. Other allies, China and Russia, require food and munitions. I have no objection to trading to the utmost with the United States, but with the war and our dependence on a joint effort of all the united nations in the struggle this is not a good time to make a trade agreement with any one unit of the united nations, which to my mind might be a panicky agreement; that is to say, decisions made in that particular agreement might be based on a reason which was evident to-day on account of war pressure but might be dispelled to-morrow. The present agreement carries on until six months' notice of abrogation is given. Let us not disturb the situation. When the envoys of China and of Russia are at Washington, why have them studying the fact that Canada, one of the members of the united nations, and the United States, are making an economic deal, and divert their attention from the war effort, or even divert our attention? Let the matter rest. Let us be fair with all members of the united nations while this war is on. These are delicate subjects, and all concessions should be distributed equally among all the united nations without picking out any one nation for special attention. It is all fraught with danger. This task of revising and opening up proceedings with the United States is too serious to be taken up at this time; let us get on with more vital war matters and not divert the mind of our people. We have only to read our history to know how easily the mind of the people in Canada is diverted when a matter of this kind is under discussion. Some hon. members can remember back to 1911 and to the United Kingdom trade agreements of a few years ago. Why do we want to stir that matter up now? There is no necessity for any real changes; any change which is an economic necessity on account of the war, as the minister very well knows, is being made very freely now by what one might term gentleman's agreements between the industry in the United States and the industry in Canada, with the knowledge and

consent of the government officials, waiving duties during the time of war. That in itself ought to be sufficient.

Not only that; this situation is even more serious. I see one of the hon. members from Essex in his seat. I should like to hear what he would have to say in regard to opening up negotiations for a trade agreement with the United States at this critical time. How does the hon. member for Ontario (Mr. Moore) feel about disturbing the peaceful relations of the automobile trade at this time? Bear in mind that when this war is over—and remember it can be over soon—we shall have thrown into the picture about five hundred thousand wage-earners who will be looking for employment. Almost that many will come out of war industries alone. We shall have to transfer them to some other vocation. Do not interfere with our present trade position, or we shall find it very difficult not only to find vocations for those, but also to keep established our economy as we understand it to-day. I know that the authority of the President of the United States to amend the rates of duty expires in June, 1943, and may not be extended, but I also know that the people of the United States, when the proper time comes, will be responsive and ready to make an agreement with us.

Just to give an idea of the magnitude of the study required when one comes to deal with a trade agreement of that kind, I have here what took place with regard to the last Canada-United States trade agreement, and the effect it has in upsetting trading in the different items. The final result was almost six to one against Canada. This is taken from the files and from the trade of Canada; Canada gave this large handful and in return got this small lot. We gave that much extra trade to the United States. I do not want to have to work on this thing while the war is on. I do not think the people of Canada or the press of Canada want at this time to discuss negotiations for a trade treaty with the United States; the time is too serious. I say this not from the picayune sense that it might be a little tariff advantage here or there to an industry, but in a big broad sense. And I say it, not in the broad sense, as it concerns Canada and the United States, but in the greater and broader sense as it concerns the saving of our civilization and the saving of freedom, through the keeping of a united front by the united nations.

With your permission, Mr. Speaker, I should like to discuss the national debt. I wish to make some observations and offer some constructive suggestions as to how we might improve our taxation position. I also wish to make a few remarks concerning annuities, con-