

the agreements come up for consideration, but certainly the broad principle is there and all the casuistry in the world cannot get away from it. Our ports are affected. We have lost the advantage of direct shipment. That will be gone.

Mr. HANSON: How do we know?

Mr. BENNETT: Because we have done it already under the old agreement.

Mr. HANSON: I do not think the government we have to-day is going to give anything more than it has to.

Mr. BENNETT: This government gave up the ten per cent reduction which was conditioned upon the importations being through our ports. That is provided for in the existing agreement. I do not desire to take up the time to go into the matter, but if the hon. gentleman will read the agreement he will find it written there in letters not of gold but, I should say, of silver. That is the situation, Mr. Speaker. You cannot change it by argument or discussion or casuistry; it is there in those terms. We gave all. We got what we received with restrictions. We are now told that it is desirable in the interests of world peace and for other reasons that we should surrender part of the preference which we enjoy in the markets of Great Britain and the other parts of the empire. It is a matter for the government to decide as to what price it is prepared to pay and receive for making these concessions.

Then there is the suggestion in the closing paragraph of the operative part of the speech:

The government is convinced that, in seeking to cooperate with the United Kingdom and other countries in efforts to promote international trade . . .

And so forth. That makes it desirable for me to make this observation, which is a summary of the statement by the Federation of British Industries. What difference is there between a volume of trade, amounting in the aggregate to a given sum, between Great Britain and Canada and between Great Britain, Canada, and the United States? If the volume of trade between Canada and Great Britain is X , when the United States takes some of the commodities that we have to sell and sells its commodities instead, Canadian trade becomes X minus, and the minus represents the plus of the United States. What is the addition to international trade? Have you increased it? This is what you have done: You have taken away from Canada that part of the trade which has gone to the United States, unless indeed you increased the volume of trade between Great Britain and the United States and did not lessen the trade between Canada and the United States, which enables me to say this: There is but one stable

[Mr. Bennett.]

market for agricultural products left in the world. That is the market of the United Kingdom, and that market has practically reached its maximum. Why? Because the population is no longer actively increasing. Statisticians tell us the population of the United Kingdom will reach its peak within a short time. In the second place they are promoting, by every means within their power, the development of their domestic production of chickens, butter, milk, wheat—on which they are paying a bonus—eggs, pigs and all such commodities. To the extent to which the United Kingdom can supply their own wants they are doing so. Under these circumstances how can we afford to take a part of the trade we now enjoy, in pigs and wheat and various other agricultural products such as apples and lumber, and hand it over to our great competitors to the south, thus enabling them to get that portion of the trade which we lose as a result of our own action?

That is the position. I submit that it cannot possibly be changed unless indeed we are prepared to say that, having free access to those markets until 1940, we propose to stand by our position. Under the terms of article III of the agreement we have a fixed preference in regard to the very matters in which we are deeply concerned, such as wheat, butter, cheese, apples, pears, canned apples, eggs, condensed milk, milk powder, honey, unwrought copper, timber of all kinds, fish, salmon, asbestos, zinc, lead and patent leather. On all these we have a fixed margin of preference under the law as it now stands, and that condition will remain until 1940, unless we are prepared to surrender these advantages. Shall we abandon this fixed margin of preference on agricultural products, which are so vital to our life? The margin with respect to hogs, bacon and matters of that kind is provided for by a special clause. Shall we abandon these for the purpose of now getting from the United States what we should have got when we gave them all that we had to give?

I do not propose to traverse at greater length the general details of the speech from the throne, but I do desire to make a few general observations with respect to the situation in Canada at the present time. It is admitted by everyone who gives thought to the matter that these are days of great difficulty. In fact, in the speech from the throne it is indicated that such is the case.

We must now consider our own position, in the light of that situation. However, before going into that matter in detail may I turn to one which I believe I have overlooked. I trust, Mr. Speaker, that I may be forgiven for returning to it. Recently a by-election was held in the constituency of St. Henry.