

I first remind the House that the Conference dealt with a number of important matters of Commonwealth interest.

As to the question of mutual trade preference it is true that refusal of the United Kingdom to accept the principle stayed action; but this much was gained: the Dominions all agreed to it, and Canada, Australia and New Zealand are setting the pace. Further, good spade work was done. It has now become abundantly clear that that spade work produced results of far-reaching effect. There is, I venture to say, reason for believing that the pronouncements and action of the Dominions carried great weight with the people of the United Kingdom, and proved to be an agency of power in bringing about the remarkable political changes and throwing down of fiscal idols in the Mother Country which we have witnessed since the Conference was held.

I invite honourable members to come with me now for a few moments to the Conference of 1930. We attend the meeting of the Economic Section. We hear Mr. Thomas, Secretary of State for the Dominions, saying that by agreement (note that) the discussion will take the form of a second reading debate, the committee stage to follow later. Then we hear Mr. Thomas opening the discussion with an interesting speech. He stresses the value of existing preferences. He emphasizes the potentialities of the Commonwealth. He expresses a pious hope that it should not be "impossible to devise ways and means whereby this trade and those potentialities can be used for the benefit of the people as a whole." But there he stops. He has no proposition to submit to the Conference.

There is a pause. We look around wondering if the day is finished. Then we recall that Mr. Thomas said that it was to be a debate. We conclude that the Dominion Ministers will speak. They do. First comes Mr. Bennett, given precedence because of the standing of Canada in the Commonwealth. We do not see him roughing anyone aside, or thrusting himself in where others would be. In fact, orderly arrangement and courtesy prevail. We know Mr. Bennett to be a plain speaking man with business habits. He speaks in understandable language. And he has the priceless gift of conviction and decision. So we are not surprised to hear him make an address of clarity and forcefulness.

First of all he tells the Conference just what Canada's policy is. He sums it up in the words "Canada First." And, courteously enough, he invites the members of the Con-

ference to adopt the same attitude in respect to their respective countries; and then he says to them:

On no other basis can we hope to effect an enduring agreement of benefit to each one of us. I will determine what my country needs, and, if you do likewise, then we may come together and search out the means by which we can be of mutual assistance in satisfying those needs.

He makes it clear that there is no intention on his part to create a system that would exclude from Empire markets the goods of other countries. Said he:

We must have—all of us—markets without the Empire, and to make those markets sure, and greater, we must place no insuperable barrier in the road of reciprocal world trade.

To which we hear him adding this:

What it does mean, however, is that we should direct the present flow of trade into more permanent Empire channels by preferring Empire goods to those of other countries. This can be done only in one way—by creating a preference in favour of Empire goods.

After which he tells the Conference what Canada desires, and what Canada is ready to do. This is how he puts the matter:

We have considered what such a scheme of preference will mean to Canada, and to the other parts of the Empire, and our conclusion is, that we of the Empire States have within our own control the means to advance the interests of each one of us, by developing a plan of economic co-operation, based on the principle of Empire preferences.

To establish the soundness of this conclusion, I apply the test which most readily suggests itself to me as a Canadian. I shall tell you frankly what it is, for it is clear that no useful agreement will ever be reached until we fully disclose to one another the mainspring of our contemplated action.

The primary concern of Canada to-day is profitably to sell its wheat. We believe that we shall be reaching towards a solution of that problem if we can establish a better market in Great Britain. This market we want, and for it we are willing to pay, by giving in the Canadian market a preference for British goods. You may each, in your own way, apply what tests you choose to determine the value of reciprocal preferences to your own country. I am confident your conclusions will coincide with ours.

And so I propose that we of the British Empire, in our joint and several interests, do subscribe to the principle of an Empire preference, and that we take, without delay, the steps necessary to put it into effective operation.

First, we must approve or reject the principle. I put the question definitely to you, and definitely it should be answered. There is here no room for compromise and there is no possibility of avoiding the issue. This is a time for plain speaking, and I speak plainly when I say that the day is now at hand when the peoples of the Empire must decide once and for all, whether our welfare lies in closer economic union or whether it does not. Delay is