

On the other hand I find myself very critical of the treaty for several reasons. In the first place, the business in Canada that probably is suffering more than any other, and the one that Canada cannot afford to have suffer, is agriculture. Although we have many basic industries in this country undoubtedly agriculture is the most important, and if ever that great industry was foundering in the morass of debt and difficulty it is doing so at present. Looking through this treaty I see very little in it that will help this great industry. The 6 cent preference on wheat, to which the attention of the farmer has been directed for some time, means practically nothing. Great Britain does not intend to pay more than the world price for wheat, and she cannot absorb the whole output of Canada. Therefore we will receive the world price no matter how low it may be forced by competing countries. In the next place, we in this corner of the house have voted continually against higher tariffs. I find that the intermediate tariff has been increased on 136 items, while the general tariff has been increased on 114 items. Then, the treaty binds us for five years. This may not be so important; in the course of time governments may change, both in this country and in Great Britain, and if the two countries favour a change in the treaty I understand provision is made whereby that may be brought about.

In the last place—and this is an all-important point—nothing was done at the conference to remedy monetary conditions or bring about financial reform. Nothing has been done to adjust exchange, and even if this treaty goes into operation it cannot bring about the benefits which many of its supporters expect, it cannot operate to our satisfaction and advantage with the exchange against us as we have it today. The conference did appoint a special committee to look into monetary and financial questions, and it is easily seen that these were at first regarded as of great importance. I find the Prime Minister (Mr. Bennett) making this statement at page 67 of the conference report:

International finance has broken down; the old fashioned industrial life to which we have grown accustomed has undergone a change.

Then at page 76 I find Right Hon. Stanley Bruce reported as having said:

I believe that in monetary policy we can take action which will be a contribution towards the restoration of prices, confidence and stability.

Again, at page 124 the same gentleman said:

We know all too well the poverty in the midst of plenty that has mocked our increased [Mr. Spencer.]

capacity to produce during the fall in prices. It is this that has deranged commerce and thrown the exchanges into confusion.

I think these gentlemen have shown, by the remarks I have read, that they recognize the fact that tinkering with the tariff cannot help in the situation as outlined.

Now I should like to quote from an outside source, Right Hon. Reginald McKenna, at one time Chancellor of the Exchequer in England. Speaking to the shareholders of the Midland Bank only last year he made this statement:

The day has gone by for the childlike belief that as long as a country is on the gold standard all is well.

During the same speech the right hon. gentleman also said:

The world crisis is due in part to the inefficient working of our monetary machinery.

What took place at the conference? The first step of which I heard was all to the good; I learned that a committee was to study the question of finance, and I rejoiced when I heard that Hon. H. H. Stevens was to be chairman. I was glad to hear that because I do not suppose there is another hon. member in this house, and particularly of the cabinet, who has given such serious study to this question. Naturally we expected something worth while to come from that committee. But when I read the report I found that the committee which brought in the report which was finally adopted was only a subcommittee, and that the Minister of Trade and Commerce (Mr. Stevens) had not acted as chairman of that subcommittee after all. Therefore I was not surprised to find a report of a spineless character, which did not favour any changes. Just to give hon. members an idea of what the report contained I will read from page 37, paragraph (a):

A rise throughout the world in the general levels of wholesale prices is in the highest degree desirable. The evils of falling prices must be attacked by government and individual action in all its causes whether political, economic, financial or monetary.

We all agree with that. What we want is action. No action is offered, nothing but pious platitudes. Further, the first part of clause (c) reads:

The conference has considered what action can be taken by the nations of the commonwealth to help towards raising prices.

Again further platitudes. I find in a recommendation made by the United Kingdom that they are not at all desirous of doing anything fundamental. So, in part 2 of the report we read the following: