

and we adopted one made with France the session before; the schedule was attached to the bill, the bill was introduced on a resolution, and the whole matter was then discussed as an ordinary measure. I am not sure but what the suggestion of the right hon. gentleman as to the desirability of separate treatment being accorded, in committee of ways and means, to the items that constitute the schedule may be the sounder method, but the method we pursued in connection with the Polish agreement was to discuss the schedules to the bill when the bill itself was in committee, and that we may do here when the bill founded on this resolution is introduced into the house. This resolution contemplates discussion at the moment of the tariff items only; there would still remain for consideration the various articles of the agreement. As I point out, those articles must necessarily be open for discussion when the bill is before the house, the schedule being part of the bill. If it is thought desirable to consider the agreement now article by article, I personally have no objection, but it would be competent to have the discussion over again when the schedule comes up as part of the bill.

Mr. MACKENZIE KING: Quite right.

Mr. BENNETT: Whatever the right hon. gentleman thinks desirable is acceptable as far as I am concerned.

Mr. MACKENZIE KING: My thought is that we shall probably save time in the end by taking up the agreement now article by article. It is probable that hon. members in discussing the items will make reference to articles in the agreement, and I have no doubt that when we come to the bill itself the house will not wish to repeat a discussion which has already taken place.

On Article I:

Trade Agreement Between Canada and the United States of America

His Majesty the King of Great Britain, Ireland and the British dominions beyond the Seas, Emperor of India, in respect of the Dominion of Canada, and the President of the United States of America, being desirous of facilitating and extending the commercial relations existing between Canada and the United States of America by granting mutual and reciprocal concessions and advantages for the promotion of trade, have resolved to conclude a trade agreement as a step toward the lowering of the barriers impeding trade between their two countries, and for this purpose have through their respective plenipotentiaries agreed upon the following articles:

Article I

Canada and the United States of America will grant each other unconditional and

unrestricted most-favoured-nation treatment in all matters concerning customs duties and subsidiary charges of every kind and in the method of levying duties, and, further, in all matters concerning the rules, formalities and charges imposed in connection with the clearing of goods through the customs, and with respect to all laws or regulations effecting the sale or use of imported goods within the country.

Accordingly, natural or manufactured products having their origin in either of the countries shall in no case be subject, in regard to the matters referred to above, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products having their origin in any third country are or may hereafter be subject.

Similarly, natural or manufactured products exported from the territory of Canada or the United States of America and consigned to the territory of the other country shall in no case be subject with respect to exportation and in regard to the above-mentioned matters, to any duties, taxes or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like products when consigned to the territory of any third country are or may hereafter be subject.

Any advantage, favour, privilege or immunity which has been or may hereafter be granted by Canada or the United States of America in regard to the above-mentioned matters, to a natural or manufactured product originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like product originating in or consigned to the territory of the United States of America or Canada, respectively, and irrespective of the nationality of the carrier.

Article I agreed to.

On Article II:

Article II

Neither Canada nor the United States of America shall establish any prohibition or maintain any restriction on imports from the territory of the other country which is not applied to the importation of any like article originating in any third country. Any abolition of an import prohibition or restriction which may be granted even temporarily by either country in favour of an article of a third country shall be applied immediately and unconditionally to the like article originating in the territory of the other country. These provisions equally apply to exports.

In the event of quantitative restrictions being established by either Canada or the United States of America for the importation of any article it is agreed that in the allocation of the quantity of restricted goods which may be authorized for importation, the other country will be granted a share equivalent to the proportion of the trade which is enjoyed in a previous representative period prior to the establishment of such quantitative restrictions.

In all matters concerning the rules, formalities or charges imposed in connection with any form of quantitative restriction on the importation of any article, Canada and the United States of America agree to extend to each other every favour granted to a third country.