

economists of the world. Does he forget that the value of international trade is, today, only half—perhaps less—of what it was at the beginning of 1929. During the same period the number of unemployed has more than doubled. According to the statistics of the International Bureau of Labour, from 20 to 25 million people are today, without work. What will happen tomorrow?

Unfair attacks: (the Prime Minister).

But we have no right to invite unfair attack upon the plan so full of promise for us. We within the British Empire have established our own standard of living. Those it is our duty to safeguard. I am disinclined to comment adversely upon the standard of living of any other country, or upon the economic scheme on which that standard of living is based. But I do say that where they are unlike and antagonistic to our own, we must resist the conscious or unconscious efforts to put them in free competition with our own.

It is desirable, I state, that our standard of living be safeguarded, but is that the result created by high protection? The latter always places the consumer in the impossible position of repurchasing the product of his own labour, and at times places him on the level of slaves. The spantacus of protection have never been the champions of the people oppressed by the international high financial interests and the large industrial corporations. The Premier then traces a plan:

The plan we must achieve will lead us through this world period of reorganization and change. So when we find our orderly progress opposed, and when our social and industrial existence is threatened, it is our common duty to provide the safeguards which will leave us free to go forward on the course we have decided to be the right one. State-controlled standards of living, state-controlled labour, state-aided dumping dictated by high state policy, conflict in theory and in practice with the free institutions of the British Empire. The subordination of individual right and liberty to a national economic plan affronts our whole idea of national development. We must be active in the defence of our institutions. We must put before all else our peace and happiness.

"Let us look for guarantees" we agree on this point. Let us remember, however, that the Russian oil entering Canada is shipped to Mr. Mellon's aluminium company, on the other hand Poland prohibits the entry of this commodity on her territories. Our hon. friends contend that our delegates at the conference obtained a great success by forcing England to cancel her trade agreement with Russia, and that such a step will open up a market for our wheat and lumber.

One of the economic fundamentals of Russia, even under the socialist regime, is based on the development and foreign sale of her lumber in

the northern regions. At all times, England has been Europe's best client for soft wood.

The Russians, therefore, endeavoured to concentrate their efforts on the British market, which has always been considered, owing to its potentiality, the regulator of lumber prices. During the period of two years, namely 1927 to 1929 according to the statement of experts, the Russian exports to England amounted to between 340,000 and 500,000 standards, and they expected for 1930, a shipment of 800,000 standards. This increase would not have been disastrous, had it not synchronized with a fall in prices due to the economic depression and the trade policy of the Soviets.

The latter upset the trade of countries exporting lumber, such as Scandinavia and Canada, moreover it was responsible for a great depression, caused by the fluctuation of prices. Finally, lumber firms in England were forced to place their purchases in the hands of a syndicate whose duty was to purchase and regulate sale prices.

The Conservatives will contend that this trade arrangement was cancelled, a few days ago. That is so, but let them not forget that the British government has invited the Soviets to conclude another trade agreement. Let us recall the advice of a great French writer to his young son: "Beware of men's honour when the sun is down."

And the empire markets:

As we desire greater empire markets, it is our task to decide the means by which they may be obtained. As each of us must find markets for our exportable surpluses, it is in our common interest to achieve a plan which will provide the maximum exchange of goods compatible with those domestic considerations fundamental to the development of our natural resources. Those considerations cannot be forgotten if the empire project is to succeed.

We have had these empire markets from 1922 to 1930, a period during which Canada enjoyed unparalleled prosperity. Treaties and a moderate tariff policy were responsible for this. Why have cancelled the former and increased the latter? The answer comes from the large manufacturing associations and international trusts opposed, in certain instances to international cooperation.

And "a very interesting fact": (Mr. Bennett).

In the past, Canada's manufactured products have enjoyed a measure of protection, in the home market. Our natural products have enjoyed little or no fiscal advantage over their foreign competitors in empire markets. It is now our hope to secure it for them. Inasmuch as the ideal application of the principle of protection involves an equalization of benefits thereunder as between manufactured and natural products, it is the desire of this government to effect that equalization and to find a way for our exports into the empire markets by giving the exporters from those markets a way into ours.