

Mr. BENNETT: That makes it clear, then, and partly covers the point I make. If the hon. member will say that the order in council will contain a statement that ten per cent of the consumptive requirements of Canadians must be produced so as to meet the "made in Canada" provision, then of course that covers one of my points. But it does not cover the second point, namely, the desirability of placing provisions in a statute so that he who runs may read, and so that what was declared as a policy may be crystallized into legislation. I have not yet heard any reasons why it should not be. Perhaps the minister will enlighten me in that regard.

Mr. ILSLEY: I wish to make my position quite clear, and to do so perhaps I ought to read that part of the note to Japan which was the occasion for making this change in the act. It reads:

The classification "goods of a class or kind made or produced in Canada," as it appears in the customs tariff, will be restricted to goods which are of a class or kind made or produced in Canada in quantities sufficient to supply at least ten per cent of the normal Canadian consumption. Adequate notice will be given of the transfer for customs purposes of a product from the category "not of a class or kind made or produced in Canada" to the category "of a class or kind made or produced in Canada."

The government of Canada will of course carry out this undertaking in the note to Japan. That means that, the government having the power after this resolution is carried into an act and becomes legislation, an order in council must and will be passed fixing at least ten per cent as the figure. I said that it probably would be ten per cent. I had not intended that it would be more than that, and I will say here and now for the purpose of definiteness that the figure in the order in council will be ten per cent. The reason for doing this by order in council instead of by statute is, as I said a few moments ago, that the percentage may be subject to change by agreement in the future, and if there should be an alteration in the agreement so as to substitute some other figure, it would be desirable for the power to exist to change by order in council to the new figure so fixed. It gives the degree of elasticity which is necessary to meet the agreements which are made with other countries.

As regards the suggestion of the right hon. gentleman that there may be some discrimination, that is impossible. Under our most favoured nation agreements we can have no discrimination. This provision must apply

not only to Japan but to all other most favoured nation countries in the world. The order in council will not relate to Japan; it will relate to the percentage which will constitute a substantial quantity before goods will qualify as goods of a class or kind made or produced in Canada. It will be a very simple and short order in council, and it will be perfectly definite; everyone will know what it is, particularly if they read Hansard. This statement is quite open and public, that ten per cent has been agreed upon with Japan and will be carried into our order in council.

Mr. STEVENS: May I ask the minister a question? I admit it may seem a little improper, but if the minister so considers it, it need not embarrass him. Would such order in council be of a general nature or would it specify certain classes or types of goods?

Mr. ILSLEY: It will be of a general nature. All and any goods, in order to be considered goods of a class or kind made or produced in Canada for the purposes of section 6 or for any other purpose, must be produced in Canada in sufficient quantities to meet this ten per cent of normal Canadian consumption.

Mr. STEVENS: Has the minister considered that the figure of ten per cent might be low in respect of some goods, but very high in respect of other classes of goods?

Mr. ILSLEY: I do not know of any with regard to which it is too high.

Mr. STEVENS: Oh, I think so.

Mr. MacNICOL: I desire to ask the minister one or two questions, based upon the assumption that the ten per cent applies to importations from the United States too.

Mr. ILSLEY: Yes.

Mr. MacNICOL: Or only from Japan?

Mr. ILSLEY: The ten per cent does not apply to importations from any country. It applies to the amounts produced in Canada, but it is general in its application. We cannot apply the dumping clause, so-called, against the United States or any other most favoured nation country, on goods unless those goods are produced in Canada in sufficient quantities to supply at least ten per cent of the normal Canadian consumption.

Mr. MacNICOL: I read lately that the Japanese have got out a very special machine for the manufacture of textile articles. It is high class and very speedy. This kind of machine, of course, is not made in Canada, although we do manufacture textile machines. Naturally, Canadian manufacturers would like