

There seems to be a disposition on the part of some hon. members on the other side of the house to create an impression that we on this side, particularly the members of the Conservative group, have no appreciation of the value of trade. Listening to some of the speeches one would think that we were entirely oblivious to or ignorant of the advantages of trade and that some appreciation of them had suddenly dawned upon hon. gentlemen opposite. One would think the government had suddenly discovered a new method of promoting trade and that nothing that amounted to very much had been done in the past in that connection. The history of trade in Canada proves that to be inaccurate and misleading.

It would be very interesting to review the history of trade from 1921 to 1930 and to find out why the markets of the United States and many other countries were practically closed to Canada during that time. It would be interesting to find out why the Hawley-Smoot and Underwood tariffs were erected against us in the United States. Falling revenues, adverse balances and severe unemployment settled down as a cloud all over the dominion in 1930. Why was not the remedy of trade for those conditions found prior to that time? Then we come to 1932 at which time we find a lively appreciation of the conditions that existed in this country on the part of the government of that day. They realized the necessity of extending markets and developing trade, and successful efforts were made along those lines which resulted in the negotiation of the empire trade agreements.

Looking at what happened from this distance I am sure that the unprejudiced and unbiased opinion of all in this house must be that those agreements materially and substantially contributed to the prosperity that started in 1933 and continued through 1934, 1935, 1936 and 1937. It was down a little in 1938. All this proves undoubtedly that at that time, as always, there was a lively appreciation of the importance of trade and a disposition to promote trade. There was a desire to make trade agreements wherever and whenever possible, provided they could be made on fair terms without sacrificing the interests of Canada.

Following the 1932 empire trade agreements we found a change in the attitude of the United States toward this dominion. They were much more disposed to negotiate and enter into trade agreements. In fact, when the Prime Minister went to Washington in 1935, immediately following his election and the election of his friends, he found that great progress had been made in the negotiation of a treaty between Canada and the United

States. So much work had been done that it took him only a few days to close up the transaction; and he will be able to tell us later, as he has done on former occasions, of the negotiations that led up to the completion of that agreement. He was very anxious to conclude it, and perhaps we are justified in assuming that because of his anxiety he made certain concessions at that time which were refused prior to the time he came into office, and that it was because of those concessions, which could not be secured by the United States prior to the Prime Minister's visit to Washington, that the completion of that agreement was possible in 1935. However, the signatures were put on the dotted line, and the result has been, so far as Canada is concerned, an adverse balance of trade.

The Minister of Trade and Commerce (Mr. Euler) in his address to this house the other day, said in reviewing trade statistics that Canada had a favourable balance of trade with every country in the world except Italy and the United States. I suggest it is not unfair or unreasonable for the people of Canada to expect that they should have a favourable balance of trade with the United States when we have it practically with the rest of the world. When there are in that country 120,000,000 of people to purchase our products, and a much smaller number in these other countries, I do suggest to you, Mr. Speaker, that it is not unreasonable for Canada to expect that we should have a favourable rather than unfavourable balance of trade with the United States.

It is difficult for a private member to analyse and come to a definite conclusion as to the effects of a trade agreement such as the one that will be submitted to us, because the schedules are complicated, and items of the former tariff have been broken up and separated. But when the agreement comes before the house in the committee stage I trust that the Minister of Finance (Mr. Dunning) will be prepared to give the details of exports and imports of the various items, and to correlate the items of the agreement with the old tariff and with the items of the agreement of 1935. It will undoubtedly be found that there are in this new agreement some advantages here and there; it will also undoubtedly be found that there are some disadvantages in it; and it will be the duty of members of this house, representing their own constituencies, particular districts and particular interests, to weigh the advantages and disadvantages one against the other, and come to a conclusion. But there is one conclusion that we can come to safely, and that is that the completion of this agreement, whatever