

Canada-U.S. Trade Agreement

ment said that Germans who have become naturalized British subjects are not affected, but it also went on to say that enlistments were to be invited. I should like to ask whether, if this dispatch is correct, such action is calculated to maintain good relations between different classes of Canadian citizens, and also as to whether or not the German consul would not be exceeding his rights here in Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, before I answer my hon. friend I should like to make inquiries as to the actual communication made by the German consul. After having seen it, I shall reply to my hon. friend.

WAYS AND MEANS

CANADA-UNITED STATES TRADE AGREEMENT

The house in committee of ways and means, Mr. Sanderson in the chair.

Resolved, that the fiscal treatment accorded to goods, the produce or manufacture of the United States of America, by the trade agreement between Canada and the United States of America, signed at Washington, November 15, 1935, be agreed to so that there may be introduced a bill giving the said trade agreement the force of law in Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Chairman, I think we had better have a clear understanding as to procedure in committee at the present time. The purpose of the resolution is to consider, as I said, the fiscal treatment accorded by the trade agreement to goods, the produce or manufacture of the United States of America. The trade agreement contains a schedule of rates to apply to commodities specified therein imported from the United States. The consideration of the article to which this schedule is attached and of the schedule itself would of course cover the changes in the rates applicable to imports from the United States. There are other clauses in the agreement which I should imagine the committee would also wish to consider in connection with the schedules. They will have to be considered some time, either when the bill itself is before the house or now when the agreement is being discussed in committee of ways and means. If the committee is agreeable to taking up the agreement in its entirety clause by clause at this stage, I fancy it will shorten discussion in the long run and give to hon. members immediately detailed information they are desirous of obtaining in regard to many specific items as well as to the agreement as a whole. If that method is acceptable, I suggest that we consider the agreement clause by clause, and begin now with article No. 1.

[Mr. Woodsworth.]

Mr. BENNETT: Of course it is not within the purview of the resolution, but as there must be a bill founded upon it, and presumably the agreement will be attached as a schedule to the bill, and will be considered in committee of the whole house, the only question is whether or not it is desirable to do it now or when the bill is being dealt with. To me personally it is a matter of indifference. But it is clear that if the bill founded on the resolution is introduced and the agreement attached as a schedule, when the committee goes into committee on the bill the whole matter will be open for discussion. That may be the better place.

Mr. MACKENZIE KING: When the British house considered the Canada-United Kingdom agreement the Chancellor of the Exchequer before introducing the bill at all, moved the house into committee of ways and means to consider the tariff changes involved in the agreement. We are following that course because we think it the preferable one.

I should like to say to my right hon. friend, if he will pardon my doing it at this moment, that I think he was mistaken at an earlier stage in the debate in saying that his government had followed the same procedure.

Mr. BENNETT: No, not the same procedure as in England, the same procedure as adopted in regard to the treaty with France.

Mr. MACKENZIE KING: Not the same procedure as we have adopted in connection with this agreement. I have looked up the journals and find that the following was the order of procedure in connection with the Canada-United Kingdom agreement: On October 12, 1932, my right hon. friend moved a resolution approving the agreement. The resolution was agreed to on November 3. On November 7, Bill No. 8 was given first reading. On November 8 it was given second reading. On November 21 the bill was reported in committee of the whole, and on November 22 given third reading. It was not until after third reading, namely on November 24, that the resolutions were adopted in committee of ways and means, reported, read the second time and concurred in.

I am proposing that we take up in committee of ways and means, before we introduce the bill at all, consideration of the fiscal matters referred to in the agreement.

Mr. BENNETT: There is, I suppose, no point in discussing the methods that were adopted at other times. What we did with respect to the British agreement was the same as in respect to the French treaty. Last year we adopted a trade agreement with Poland,