

passage contains matters of such vital, paramount importance for an unbiased mind to decide whether the conference was the success the other side claims it to be, that even at the risk of repetition, I should like to quote this passage which is contained on page 74 of the report of the imperial conference. This is what Mr. Baldwin says:

Reverting now to empire trade, we hope that as a result of this conference we may be able, not only to maintain existing preferences, but in addition to find ways of increasing them. There are two ways in which increases in preferences can be given—either by lowering barriers among ourselves or by raising them against others. The choice between these two must be governed largely by local considerations, but subject to that, it seems to us that we should endeavour to follow the first rather than the second course. For however great our resources, we cannot isolate ourselves from the world. No nation or group of nations, however wealthy and populous, can maintain prosperity in a world where depression and impoverishment reign. Let us therefore aim at the lowering rather than the raising of barriers, even if we cannot fully achieve our purpose now, and let us remember that any action we take here is bound to have its reactions elsewhere.

Those were the results that Mr. Baldwin hoped would flow from the conference. But what has been the result? I venture to suggest in all humility that in this dominion there are no two persons, no matter how expert they may be in economics, who can agree as to what the net or general results will be. But some results are certain, definite and fixed, and one of them was enunciated by the Prime Minister when speaking in Calgary. These are his words. Speaking of the conference he said:

One thing was certain, however, that nations outside the empire will be asked to pay some tribute for the privilege of trading with the empire.

I knew that some things were not so certain, but this thing was certain, Mr. Speaker, that the nations of the world would have to pay tribute to the British Empire for the privilege of trading with it. What an auspicious beginning for the world economic conference! It seems to me that instead of giving a lead to the world economic conference, it is rather a clarion call to another world trade war. I am very much afraid it will mark the beginning of a world trade war. Resentful reactions are bound to come from other nations. What about the array of the most favoured nations with whom we do a business of \$100,000,000 a year, \$36,000,000 of imports and \$64,000,000 of exports? What will these most favoured nations do? I fear very much that this association of nations which we call the

British Empire has as a result of this conference, consolidated its component parts to wage a world trade war more bitterly and more fiercely than any we have had hitherto, and that this mad economic nationalism founded upon the principle of a preposterously high tariff will not in any way help to promote the peace and freedom of the world.

What about our fiscal autonomy and that of every other part of the empire? It is completely destroyed in this agreement. I need not go into the details, but it is abundantly clear in this agreement that the government of the United Kingdom cannot reduce its tariffs without the consent of the government of Canada, and it is equally clear that our fiscal independence is destroyed. Our fiscal policy is being shaped by the government of the United Kingdom, and we in turn are shaping and moulding the fiscal policy of the United Kingdom. Vicious results are bound to flow from the making of tariffs by treaties as is done in these agreements, and I say that no good can come from interfering with the fiscal autonomy of any part of the empire.

Further, are tariffs to be the basis of better relations within the empire? May I quote a passage from *The Economist* of September 24, 1932, referring to the Imperial conference:

From the moment the microphones were turned off and the opening session was closed, the conference descended from the clouds of imperial sentiment to the rock of hard selfish bargaining. . . . One of the unfortunate legacies of the conference is the bitterness and ill-will created between the British and Canadian delegates.

Will tariffs be the basis of better relations within the empire? Mr. Chamberlain in his speech in the British House of Commons declared that Canada was weakening in her loyalty to the empire. May I ask, will a better commercial relationship within the empire strengthen the empire bonds? May I further ask, are tariffs to be the foundation upon which to build a better commercial relationship within the empire? Will tariffs improve trade within the empire? Have Canadian tariffs improved Canada's trade? This government has been steadily increasing tariffs since 1930, but have these sky-high tariff increases promoted or helped our trade? They certainly have not. Trade is decreasing to an alarming proportion and unemployment has tremendously increased. There is not an hon. member on the other side of the house who will stand up and say that this agreement will in any way create or increase Canadian trade by one dollar.