

particular I wish to draw to the attention of the house: Barbed wire fencing and cream separators. They have already been referred to. I think it is most unfortunate that the government decided to restrict competition in these two items. We have not been bringing in barbed wire from Great Britain to any extent, and no cream separators at all. The farmers of this country will in all probability have to pay more for their separators in future.

I wish to refer briefly to article 13; I shall not read the whole of it as my time is passing rapidly. It commences by saying:

His Majesty's government in Canada undertake that on the request of His Majesty's government in the United Kingdom they will cause a review to be made by the tariff board . . . on any commodities specified in such request (of the United Kingdom)—

It goes on:

—after the receipt of the report of the tariff board thereon such report shall be laid before parliament and parliament shall be invited to vary wherever necessary the tariff on such commodities of United Kingdom origin in such manner as to give effect to such principles.

Now I wish to refer to the statement made by the Prime Minister in the course of his address. Referring to such recommendations of the tariff board he said:

The government, of course, could not, without being guilty of a sharp departure in constitutional practice relating to tariff and other financial matters, abrogate its responsibility of recommending to parliament all decisions affecting our tariff structure.

The Prime Minister has in those words confirmed the contention continually made from this side of the house that it was contrary to constitutional practice that tariff changes should be made by order in council.

In the two minutes I have left I should like to summarize the conclusions at which I have personally arrived in regard to this agreement. I have arrived at two conclusions in its favour:

1. The list of items now permitted to enter Canada free from Great Britain has been increased from 81 to 159, which, though good in itself, does not compare with the provisions of the Dunning budget, in that the latter placed 270 new items on the free list and increased the total number of such items to 589.

2. This action will probably result in an increase in the total trade between Great Britain and Canada.

That is all I can say in favour of this agreement. I find against it:

1. The principle of high protection has been placed more firmly than ever in the saddle by

reason of the fact that there have been increases of duties on 139 items under the intermediate and general tariffs.

2. In respect to the 159 items permitted to enter Canada from Great Britain on the free list, as the margin of preference must be maintained under the provisions of article 9, Canada is precluded from making favoured nation agreements with respect to those items for five years.

3. The majority of the items to be admitted free or under reduced duties are items that will be purchased by manufacturers for further processing, and it is at least doubtful if any reduction in the cost of the finished article will be passed on to the consumer.

4. The general effects of the increased duties under the intermediate and general tariffs will be (a) to increase the cost to the consumer of such goods; and (b) to invite reprisals from the foreign nations to which those duties apply.

5. The agreement offers no remedy for the fact that the exchange differential at present wholly nullifies any possible or alleged advantages under the preferences, and therefore our primary producers will to a very large extent be unable profitably to avail themselves of such alleged advantages, thus rendering the proposed benefits quite illusory.

My conclusions, Mr. Speaker, are that the disadvantages of this agreement outweigh its advantages, and therefore I must of necessity vote against the resolution.

Mr. G. B. NICHOLSON (East Algoma): Mr. Speaker, I trust that the hon. gentleman who has just taken his seat (Mr. Butcher) will not consider me in any sense discourteous if I do not make any effort to follow him in the interesting address which he has just concluded.

Personally, Mr. Speaker, I look upon the resolution now before the house and the agreements that we are asked to sanction thereby as the most important matters that have been brought before the parliament of Canada in this generation, and it is my opinion that a very great majority of the people of this country look upon them in the same light and that they have been anxious and still are anxious that they should be accepted by this parliament unanimously and without political controversy. I believe also that when we assembled here on the sixth of October, if one may judge from the expressions of opinion from all corners of the house, it was the desire of the majority of the members, without regard to political complexion, that these agreements should be accepted in that same spirit.