

*Australian Treaty—Mr. Ilesley*

the farmer by a tariff. I will go further and say that the Right Hon. Mr. Meighen not only did not prove that but never attempted to prove it. He was too much of a logician to try to prove to an intelligent house that you could protect by a tariff an industry which sold the major part of its production in a foreign market.

Mr. J. L. ILSLEY (Hants-Kings): Mr. Speaker, I should like to make a few remarks on the subamendment and the amendment before the house. The hon. member for Nelson (Mr. Bird), who has just taken his seat, stated that he would attempt to show that there was some rational basis for the amendment proposed by the group representing the United Farmers of Alberta. I have too much respect for the hon. gentleman to say that he has not done so, but after listening attentively to what he said I am still of the opinion that I held when the amendment was first read to the house, namely that no amendment that has been proposed in this house during recent years should be voted down more emphatically than that proposed by the United Farmers of Alberta at this time. I shall have something to say a little later as to the subamendment moved by the hon. member for Vancouver Centre (Mr. Stevens).

As to what the hon. member for Nelson (Mr. Bird) has stated, it seems to me that his argument has been directed not against the Australian treaty as such but against its extension to New Zealand, a matter which has already been dealt with by the house at considerable length; but because there is some little confusion on that point—not in the house, but in the country—I want to make very clear the difference.

During the last two or three weeks there have been many references in this chamber to the "New Zealand treaty," notably by the leader of the opposition (Mr. Bennett), who on one occasion used the term a great many times in the course of a single speech. Strictly speaking there is no treaty with New Zealand, although there is a set of trade relationships between Canada and New Zealand based upon mutual concessions by the two countries which might somewhat inaccurately, but perhaps conveniently, be referred to as a treaty. In order to make that clear to the house, I want to read just one paragraph from a pamphlet entitled *Empire Tariff Preferences on Canadian Goods*, published by the Department of Trade and Commerce:

New Zealand since 1903 has been extending to Canada the benefit of all British preferential rates of duty brought into force under successive tariff laws. Canada, by order in council in 1904, granted New Zealand the British

[Mr. Bird.]

preferential tariff of that time, while the Canadian Tariff Act of 1907 (still the basic tariff) declared that the British preferential schedule would apply to New Zealand among other countries. The Canadian tariff concessions to Australia in the agreement of 1925 were extended to New Zealand by order in council made under a provision in the ratifying act. Thus reciprocal relationship in tariff matters between Canada and New Zealand is maintained in the absence of a formal trade agreement.

I shall say nothing more about our trade relationships with New Zealand except this, that both the larger parties in the house seem to be agreed that it is desirable that the somewhat vague set of trade relationships which exists at the present time between the two countries should be committed to the form of a treaty, or rather, that a treaty should be made clearly setting forth what the obligations of each country are to the other.

As to the Australian treaty proper, the group representing the United Farmers of Alberta say that the Australian trade agreement of 1925 should be abrogated. That to my mind is a very serious step, a step which I think would not meet with the assent or approval of the country at large. Most of us in the house are pretty well convinced in our own minds that the reason why the United Farmers of Alberta want this done is that they hope to have a four cent a pound duty on butter coming in from New Zealand, instead of the present one cent a pound duty, and they hope by this indirect method to get what they want without inviting too much criticism on the ground that they have departed from their free trade principles. I think, Mr. Speaker, that that is pretty well understood among the members of the house, and that condition of affairs explains the inconsistency of the arguments of the United Farmers of Alberta as presented in this house. In one breath we have them saying that a duty on farm products cannot possibly be of any benefit to the farmer, and in the next breath we have them saying that when the late Mr. Robb reduced the duty on farm products coming in from Australia he was giving away a right of the Canadian farmer and depriving the Canadian farmer of a benefit that he otherwise would have. We have one hon. member stating that a duty on butter is no good to the farmer at all, and another hon. member from the same corner of the house stating that if anyone in the country is to have protection, the farmer should have his share of it. Therefore it is, Mr. Speaker, that the arguments put forward on behalf of this amendment by hon. gentlemen in that part of the house are inconsistent; and there is a reason for that which to my mind is exceedingly interesting.