

get from it is something salvaged, and also a help to maintain better prices on their domestic market. So, naturally, we feel that it is very unfair competition, and as a consequence we should have protection.

We are to-day at war with an enemy that is going to take all of our resources to defeat. We listen to various speakers, and read articles in the newspapers all exhorting us to do our utmost in the effort to win this war, by buying war savings certificates, and by giving to a dozen different war efforts.

The allowing of wholesale fruit importations on to the Canadian markets, when Canada, herself, can supply it, seems to be inconsistent with the national policy of conserving national dollars.

We are all willing and anxious to do all of the things requested of us to aid in the national war effort, but how can we if we do not receive better than cost of production for our produce?

We, as private citizens, are not allowed to buy outside of Canada without going through a lot of red tape, yet big importers seem to have no difficulty. We are asked to be patriotic, and save our foreign exchange for the purchase of war supplies. Why doesn't this apply to the big importer, and if he is not willing to cooperate, why isn't he forced to do so?

We are as loyal and patriotic a group of growers as there is in Canada and are willing to do our bit at all times, but we would feel better about it if we had the protection of our markets by the government, and could feel assured that others were doing their bit also and not being allowed to exploit a situation to their personal advantage with possible harm to the general national effort.

We trust that this will meet with your immediate attention, that the situation will be thoroughly investigated, and all that is possible will be done to bring this situation to a more satisfactory standing.

There is only one reason I can think of why the foreign exchange control board, guided as it must be by government policy, should make these findings in connection with foreign exchange. The Canada-United States trade agreement contains a clause having to do with the operation of the treaty should either country be engaged in hostilities or war. It seems to me that if it saw fit, the government could prevent this stream of stuff from coming in to compete with our Canadian production.

Mr. ROSS (Moose Jaw): What is the duty on peaches?

Mr. ILSLEY: If my recollection is correct, the duty on the whole range of fruits and vegetables, with certain exceptions such as tomatoes which carry a specific duty, is ten per cent. I would point out that the fruits to which the hon. gentleman has referred really have a protection of about thirty per cent. There is the ten per cent regular duty, the ten per cent war exchange tax and the ten per cent exchange. In addition to that, in that part of the year when similar

[Mr. Stirling.]

fruits are available in Canada in commercial quantities, these fruits are subject to a value for duty purposes, which varies with the particular fruit. In some instances it runs quite high, so that the total protection is considerable for certain parts of the year. This year very low prices are prevailing in the United States, and there has been a substantial volume of importations into Canada despite the duties to which I have referred. The government has given serious consideration to whether something should not be done. The treaty provision which the hon. gentleman has mentioned is an obvious one, but we cannot avail ourselves repeatedly of the war clause in that agreement and expect it to stand. If the agreement were destroyed, I think it would be unfortunate. The erection of a trade wall across this continent at this time would be undesirable, not only from a trade point of view but from other points of view as well.

Mr. JAUQUES: I should like to direct attention to something which came to my notice to-day and which appeared in the *Globe and Mail* of Toronto in the August 5 issue. This reads:

Alas, the public, including some bankers and economists and even some mining engineers, is gullible and unconsciously and innocently helping this insidious German propaganda. I believe if the Canadian and American governments were to broadcast by radio the general remarks outlined in this article, especially the comparison with an average dwelling, that it would do much to counteract the foul German propaganda which is making the people believe that the gold reserves in the central banks of the world are just so much "dross."

It will be the job of bankers and business men to get the world back on a gold basis and assuredly this will happen all in good time after Herr Hitler and his fifth column have been silenced.

The inference there is that those who do not believe in the gold standard will be branded as fifth columnists. The boot is on the other foot. Had it not been for the gold standard, in all probability Herr Hitler would never have been heard of. I have good authority for saying that. I do not ask the committee to take my word on such a matter. I should like to read a short excerpt from a book of a most illustrious Liberal, none other than the Right Hon. David Lloyd George. In his book "The Truth About Reparations and War-Debts," he says this:

The draining away of the world's gold supplies has made gold scarce and dear—

I might say that the object of this article in the *Globe and Mail* is to prove that gold is both scarce and dear. Mr. Lloyd George says:

The draining away of the world's gold supplies has made gold scarce and dear, which