Mr. LAPOINTE: The mill is working!

Mr. SAUVE: Owing to precedents and the act.

Mr. LAPOINTE: You do nothing else.

Mr. SAUVE: Future will tell.

NEW ZEALAND TRADE AGREEMENT

TABLED BY MINISTER OF TRADE AND COMMERCE—INTRODUCTION OF BILL

Hon. H. H. STEVENS (Minister of Trade and Commerce): Mr. Speaker, I beg leave to lay on the table of the house a copy of a trade agreement between Canada and New Zealand. I shall at the same time lay on the table, for the convenience of members, should they desire to peruse it, a copy of the customs tariff of New Zealand; and I should also like to lay on the table, for inclusion, with consent of the house, in the votes and proceedings and for the convenience of members, copies of two schedules, duplicates so far as items are concerned, of those that are in the agreement, but setting forth the Brtish preferential rate, the intermediate rate, the general rate and the rate to New Zealand, so that members may have before them printed in the votes and proceedings a comparison of rates in the schedules.

It might be appropriate for me, in laying this agreement on the table, to make a few observations in regard to it.

The history of trade relations between New Zealand and Canada dates back a considerable time. Certain minor arrangements were made between the two dominions during the period between 1900 and 1925, but it was in 1925 that the Dominion of Canada and the Commonwealth of Australia completed a trade agreement, and on October 1, 1925, by order in council, the provisions of the Australian agreement were extended to New Zealand. But on April 12, 1930, notice was given to New Zealand for the cancellation of the said order in council, this cancellation to come into effect at the end of a period of six months, or on October 12, 1930.

The withdrawal from New Zealand of the privileges of the Australian treaty resulted in New Zealand on October 20, 1930, withdrawing the British preference applicable to Canadian motor cars, engines and tires. On June 2, 1931, New Zealand further withdrew from Canada the British preferential tariff on all

remaining items. This resulted in a decline of trade. I have before me the figures from August, 1930, down to March, 1932, showing a decline in trade to the month of December last and from December to March a considerable increase in exports to New Zealand. It is of course, expected, with great assurance, that as a result of the consummation of this treaty, that trade will again rapidly increase.

I might point out that the treaty is of a form similar to that with Australia. The main feature is that each of the dominions extends to the other the British preferential rate, with the exception of certain schedules (a) and (b) set forth in the agreement, and under these schedules each country extends to the other certain rates of duties specified therein. But I think the main emphasis should be placed upon the fact that the British preferential rate applies to all the other items not specified in the two schedules.

I shall refer briefly to the main features of the articles of the agreement. Article 1 sets forth where Canada agrees to give New Zealand the tariff treatment specified in schedule (a). Article II provides for concessions to Canada by New Zealand of the British preferential rate with the exception of certain items set forth in schedule (b). Article III is an interpretation clause. Articles IV and V suspend the anti-dumping laws of Canada and New Zealand respectively as regards each other, with this proviso: if one country notifies the other of importations of any goods which would prejudicially or injuriously affect producers or manufacturers of similar goods in the importing country and remedial measures satisfactory to the importing country are not put into effect by the exporting country within thirty days, then the dumping law of the importing country may be applied.

The difference between this procedure and that provided by article IX of the Australian treaty is that the dumping law instead of the general tariff is applied to prevent the importation of goods detrimental to the importing country.

Article VI corresponds to article VI of the Australian treaty in allowing each country to levy special duties such as primage, excise and special charges. That is a more or less formal article. Article VII enables each contracting party, upon giving three months' notice to the other, to increase the rate of duty on any goods in the schedules and in form gives, I might say, to the schedules flexibility which does not exist in the Australian treaty.