

this house have been saying that the world will have to do—plan things. I think the world is slowly moving towards managed money, managed production, managed exports, managed imports and managed everything. The old system of doing business, of letting whoever thinks he can make a profit get in and do just as he likes, has broken down and we shall have to deal with matters on a basis where production and distribution, imports and exports, are planned in a way they have never been planned before. That, to me, is the suggestion behind the agreement in so far as the quantitative regulation is concerned.

It does seem as though there is a market for pork products in Great Britain, bacon and hams. Our chief competitors in the British market have been the Danes. There are also exports going to Great Britain from the Netherlands, from Sweden and from the United States. I think that Canada can ultimately send a reasonable amount of bacon and hams into the British market. Here again we are guaranteed free entry, for a certain quantity and nothing more, for bacon of good quality. I do not know what will happen in the United Kingdom, but I imagine that the exports that have been going forward from the United States will not receive the consideration that our exports will receive. They have been exporting a considerable amount. Take hams: the United States supplied 600,000 long hundredweight in 1931 and Canada 72,488. I think it is a great mistake to expect that we can make tremendous advances in the quantity of our exports. The Prime Minister's statement is just a little too optimistic, in my judgment. In fact, it seems to me that in this debate, as in a great many others, the government is possibly a little too enthusiastic and the opposition a little too pessimistic. The Prime Minister's suggestion is that with favourable marketing conditions, and with the price maintained continuously above cost of production, Canada has potential possibilities for the production of eight million hogs, and so forth. If we can have favourable marketing conditions and a price maintained continuously above cost of production, then I believe it can be done. But how are you going to do that? We are all producing hogs, cattle, wheat and everything else at a loss today, and until this problem of adjusting price levels is tackled and a reasonable solution found for stabilizing prices at reasonable points, I do not think we can look for a tremendous increase—nothing like

the increase suggested in the Prime Minister's statement—in our exports of bacon and pork products from this country.

I want to come back now to control of acreage and control of production. We have seen efforts made to hold up the price of export commodities. We know how very strongly these efforts were resented in some of the exporting countries. Any effort at stabilizing any commodity by governments will have to be on a basis where due regard is paid to the producer and the consumer, irrespective of whether he is a Canadian or a Britisher or who he is. You cannot get a reasonable agreement towards stabilization without regarding the rights of your customers as well as the rights of your producers. I believe that the suggestion made, I think, by Mr. Peterson of Calgary, that the export countries of the world ought to get together—he mentioned Canada, the United States, the Argentine and Australia—and try to agree upon exporting what the importing countries of the world really require and nothing more, has some merit in it, if we can do that and at the same time do it on a basis reasonably fair to the importing countries. But we need something further than what is contained in this agreement. Because the agreement does not in any way prevent us from doing these things, however, or will not prevent us in the future, I want to support it.

The point has been made that tariffs have been riveted on us for the next five years. I believe the leader of the opposition asked the question in his speech, whether, if Canada and Great Britain were both ready to change the terms of the treaty in the next five years, they could do so. I think that the last clause of the treaty with Canada, providing for consultation, surely indicates that; and if it happens that we have in office after the next election a government that wants to give Great Britain additional reductions in the British preference, surely the British people will not object to that. If the agreement does prevent a reduction in some of the intermediate and general tariff items, maintaining the spread between the preferential and the general and intermediate rates, it also rivets—if that is the correct term—for five years the free rates and also the rates that have been put into the agreement. In going through the agreement I made as rapid a calculation as I could, and I found about sixty or seventy items were reduced under the British preference below those of the 1930 tariff. Though there are additions in the general and intermediate, some reductions in the British preference are considerably below