

amused—shall I say?—than surprised by the observations made by the hon. member for Hants-Kings (Mr. Ilsley) yesterday in connection with the extensive business in nails and wire that Canada is doing with Australia. He told us all about the Sydney nail works. Well, how many nails do you think we sold to Australia last year from Nova Scotia?—\$8,000 worth! Those are the figures given by the department—\$17,971 in all, of which \$8,000 worth went from there; and of wire, out of the total, \$40,000 worth went from Nova Scotia. So that the great Besco plant in Nova Scotia was able to sell to Australia, under this treaty, \$48,000 worth of goods, including the nail that was found in the box.

Leaving that for the moment may I point out that when the treaty came into this house the hon. gentleman who at present holds the portfolio of Minister of Railways and Canals voted for it, and his colleagues to my left voted against it. It was one more instance in which for some reason undisclosed on the record they and he viewed it somewhat differently. Whether or not he with his keen vision and prophetic sight could look into the future and see himself occupying the office of Minister of Railways we do not know; at any rate, he managed on that occasion to vote for the treaty.

Now, when the treaty came into this house, what happened? From the discussion that took place the house realized that if it were carried out in the terms indicated it would not be beneficial to this Dominion. Although I was not in the house at the time, I want to say clearly that I cannot see how I could have supported that treaty. What is more, the late Minister of Finance realized the possible injuries to Canada in connection with it. It is a well known fact that he said not a pound of butter—or an insignificant amount—would come in under that treaty. So certain was the Prime Minister of it that when he spoke in Woodstock a few months after, pointing out the benefits of the treaty, he told the people there that if by any possible chance it could be shown that the treaty would be injurious to the interests of Canada the government would take steps to annul or cancel or abrogate it. Yet a week later, without negotiation, the government passed an order in council which, by executive action, made that treaty applicable entirely to New Zealand. We have all seen the result.

What is the present condition? We have an entirely different situation from what we had then. To-day in Canada we have an adverse trade balance of over \$100,000,000 per annum. Has anybody looked without

some alarm at the trade figures of this country for January and February? Has any thoughtful man who knows business at all studied them without realizing that if employment is to be given to the Canadian artisan every Canadian must do his utmost to sell goods wherever he can get a chance to sell them? It is because of that very fact that we who sit to the left, ever mindful of our obligation, have from that day to this, as you will find upon the records of the house, suggested to the government not the annulment or abrogation of the treaty at a time like this, but that the treaty should be amended to the mutual advantage of both countries. I make a clear distinction between Australia and New Zealand in that regard. We cannot afford to risk for a single moment the destruction of a great basic industry, the dairy industry in this country, confronted as we are with unemployment, with our industrial fabric threatened, and the markets of France, Italy and Germany shut out from the Canadian wheat farmer by hostile tariffs that have reached a maximum of 80 cents a bushel. I say to my friends to my left that they might better withdraw this resolution than have it before parliament at this time, the economic conditions in Canada being what they are.

Take the paper industry. Over-production, which is not the fault of this government, has compelled Canadians to accept a price for their paper in the markets of the United States and other parts of the world that according to modern economists is below its real cost and value. I wonder if hon. members know that newsprint shipped from this country to Australia and New Zealand netted the producer less than \$42 a ton? And do they realize what that means? In order that the machines might be operated at capacity newsprint, the surplus product of those machines, has been sold abroad during the last twelve months at a price that has not met the cost of production. That surplus product had to find a market. If these conditions continue, can we afford to abrogate the treaty? Having regard to present economic conditions in Canada; having regard to the almost superhuman effort that industrialists and others are making to provide employment for artisans, can we afford to abrogate that treaty? For my part, though I would have voted against the treaty had I been in the house at the time, realizing the conditions prevailing in this country to-day I am not prepared to vote for its abrogation—my hon. friend (Mr. Stewart, Edmonton) is concerned only about laughing