

I was not able to hear everything that was said by the hon. member. I shall read it in *Hansard* and let him have a reply later.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Monday, January 30, consideration of the motion of Mr. J. E. Matthews for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the proposed amendment thereto of Mr. Manion, and the amendment to the amendment of Mr. Woods-worth.

Hon. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, the speech of His Excellency the Governor General briefly expresses the views of the Prime Minister (Mr. Mackenzie King) and his colleagues with respect to the new trade treaty with the United States. It speaks of this treaty as "a far-reaching agreement", as "a constructive contribution toward a betterment of world conditions", as "furthering the ends of international goodwill," as a reduction of customs duties and excise "much greater than that made by any previous parliament or by any other country in recent years"; and, finally, as enlarging "the advantages of the agreement concluded in 1935". I do not intend to-day to combat each and every of these specious announcements, but I should like to refer to one or two of them.

In other official pronouncements it has been designated as a policy of appeasement. Last June in the house I made an analysis of the trade of Canada and the United States under the trade agreement then in force, and I showed from the returns brought down by the Minister of Trade and Commerce (Mr. Euler) that the increase of our exports to the United States of commodities, on which there had been no change in the United States customs duties under that agreement, was far greater than the increase of our exports under the schedule of commodities on which the United States tariff was reduced by that agreement. With the permission of the house I should like to place on *Hansard* a short table of only three lines in which I have brought down the figures to cover the corresponding period of the calendar year of 1938, showing for 1935, 1936, 1937 and 1938 the domestic exports from Canada to the United States, and segregating the value of those commodities exported on which a reduction of duty was made in the United States tariff. If I may be allowed to place the table on *Hansard*, it would clarify the comments which I may wish to make.

Mr. SPEAKER: The hon. member may do so only with the unanimous consent of the house.

Some hon. MEMBERS: All right.

Mr. CAHAN: The figures are as follows:

Domestic Exports from Canada to the United States

	Twelve months ended December 31st			
	1935	1936	1937	1938
Commodities subject to reduction of duty..	\$ 35,723,003	\$ 59,281,878	\$ 64,582,861	\$ 37,975,679
Commodities not subject to reduction of duty..	225,962,369	277,635,071	295,429,282	232,485,510
Total commodity exports, excluding gold..	\$261,685,372	\$336,916,949	\$360,012,143	\$270,461,189

Our exports to the United States for the calendar year 1935, the year before that trade agreement came into force, of commodities on which the United States tariff was reduced on January 1, 1936, amounted in value to \$35,723,000. Our exports of the same commodities during the calendar year 1938 were \$37,976,000. In compensation for all the tariff concessions which we made in that year to the United States, comparing our trade for 1935, before the agreement came into effect, with our trade for 1938, we gained merely \$2,253,000 of export trade under the reductions of duties made by that agreement.

A comparison of our exports of commodities on which the United States tariff was not reduced shows that, exclusive of gold, our domestic exports to the United States of com-

[Mr. Mackenzie King.]

modities respecting which there were no reductions in the United States customs duties under the trade agreement which came into force on January 1, 1936, were during the calendar year 1935, \$225,962,369, while in the calendar year 1938 the same exports on which no reductions of duty had been made were \$232,785,510, an increase in our exports on which there were no reductions in duties of \$6,523,141 as compared with an increase of \$2,252,676 in our domestic export of commodities on which the United States duties were reduced.

If our prospective advantages from this new trade treaty, which was signed on November 17 last, may be judged by those resulting from the previous agreement signed on November 15, 1935, the new trade treaty offers slight hope