

ation. The price of this particular kind of glass is 15 per cent less in Canada today than it is in Great Britain, the country of manufacture.

An hon. MEMBER: Are you opposed to that?

Mr. EULER: If my hon. friend has anything to add to the argument or wishes to dispute mine I shall be very glad to listen to him after I am through. The point I want to make is this: The purpose of this arrangement is to transfer business from foreign countries to Great Britain, and, as I have said, I have no particular fault to find with that if it can be done without increasing the price to the Canadian consumer. On the face of it, one would not expect the price to be increased; in fact, it should be decreased because the item now enters free whereas formerly it paid a duty of $7\frac{1}{2}$ per cent. But if it results as those who spoke to me say it will, surely it is an unfortunate condition for the Canadian consumers because at the present time they are able to buy this glass 15 per cent cheaper than it can be bought in the country of manufacture. In fact, the gentleman who communicated with me went so far as to say that those importing glass in Canada will buy just as much as they can at present prices because they believe that under the agreement they will have to pay more before very long.

Mr. RHODES: Only a few days ago I had a conference with the principal distributors of glass who are purchasers in Canada, and will be to a greater extent under this arrangement, in the presence of the representative of the principal British exporter, and I may say to my hon. friend that they were absolutely satisfied with the assurances that were given by the British producers that there would be no increase in price.

I would point out to my hon. friend with respect to the cartel arrangement, if such exists, that it is not all-embracing so far as the industries in Great Britain are concerned, and further, there is one industry of which I have knowledge in Great Britain which was purchased by Canadian interests a short time ago, and which is about to be started on a very active scale, and which has never had any active associations with any former cartel or any cartel now existing.

Mr. EULER: Located in Great Britain?

Mr. RHODES: Yes. My information is that there is ample capacity in the existing plants of Great Britain, apart altogether from

the plant to which I have just referred, to make for very keen competition. In view of the fact that the distributors in Canada are satisfied that there will be no increase in price and with the assurance of the representative of the leading British firm who appeared before me, I am satisfied to take their assurances that that condition will not come about. But if they did not live up to their word I think my hon. friend would find that the competition I spoke of would more than take care of the situation. At least, that is my judgment of what would happen. I would greatly regret if the condition of which my hon. friend has spoken did arise, because in that case the results of the arrangement would be unfortunate.

Mr. EULER: I wanted to advance that view as it was communicated to me in the best of faith, I believe. Time will tell.

Mr. YOUNG: I would have thought that profiting by the experience of September, 1930, the government would have been very careful about introducing this legislation. I well remember, on the last Saturday sitting of the short session of 1930, the Prime Minister standing up in his place and telling us that the government were increasing the duty on glass. What for? Because, he said, the consumers of glass in Canada are in the grip of an international cartel, and we are going to encourage the establishment in Canada of a factory that will produce glass for our own use at a reasonable price, free from the tentacles of this cartel, and we have satisfactory assurances, the Prime Minister said, that the price will not be increased to the Canadian consumer. What happened? The ink was hardly dry on that arrangement before the price of glass in Canada doubled.

Mr. STEVENS: Then what happened?

Mr. YOUNG: What I hope will happen again in this case. As I say, the price of glass was doubled, and it was discovered that this firm which was going to open a glass factory in Canada was owned and controlled, body and soul, by that very same cartel. We were raising the duty on glass in Canada to protect ourselves from that very cartel, and actually we were delivering ourselves into its hands. The minister asks: Then what happened? What happened was this: Such an agitation arose in the newspapers and throughout the country when the fallacy of the government's position in saying they could accept those assurances from the manufacturers was seen, that there was nothing for it but to remove the duty.

Mr. STEVENS: Oh no.